Local Partnerships in Local Governance: the Sub-Regional Dimension of Devolution

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Introduction

Government in Ireland operates mainly at two levels, the national and the local, with no significant intermediate regional dimension. Although regional authorities were established in 1994, pursuant to the Local Government Act of 1991, their resourcing and powers are very restricted, and their public profile and legitimacy have been undermined by the fact that their membership is provided by nomination from the constituent local authorities rather than by direct election. The relatively weak position of the regional authorities has been illustrated most recently by the fact that the government’s initial (October 1998) proposal to Eurostat regarding the delineation of the new Objective 1 area within Ireland cut across the regional authority boundaries. Although this proposal was rejected by Eurostat, at least partly because it transgressed existing administrative structures at regional level, a new administrative layer has now been superimposed with the creation of ‘group regional authorities’. In an attempt to avoid the quite understandable confusion that is likely to arise, the 1994 regions are now referred to as ‘sub-regions’.

Until recently, the situation at local level has been little better in terms of devolution. Local government is heavily reliant on central funding, has very little discretionary spending power, and a restricted range of functions consisting mainly of infrastructural and regulatory services (Expert Advisory Committee, 1991; Walsh, 1998). The degree of centralisation in the Irish system has been even greater than that in the UK, for example, with no significant responsibility at local government level for redistributive services such as education or personal social services. Reflecting the centralised nature of government, policy making and implementation in relation to economic and social development has been strongly controlled from the centre, and indeed within central government itself by a single department, the Department of Finance.

However, since the late 1980s, a number of developments both at European (EU) and national level have suggested that this situation is beginning to change. This period has been characterised by a widening of the development policy agenda to embrace social as well as economic objectives, and the incorporation of a wider range of actors and interests into policy-making, which has been interpreted as a move from government to governance (Adshead and Quinn, 1998). Simultaneously, there has emerged a much greater commitment to the local dimension of social and economic development (Walsh et. al. 1998), and, associated with this, an intense development of new structures and institutions for both policy-making and delivery at the local scale. This paper describes these developments, in the context of the factors which brought them about, and investigates the extent to which they might be construed as a move towards a new local governance in Ireland.
From Government to Governance: the Changing Role of Local Government

The concept of governance has been widely used in accounts of changes taking place in government systems in western liberal democracies. While it is possible to identify a range of meanings of the term (Rhodes, 1996), governance is probably most widely understood, certainly in its application at the local level, as a more inclusive term than government, referring collectively to the full range of actors involved in regulating local society. This includes pre-eminently the elected local government, but goes beyond this institution to incorporate also:

central government, a range of non-elected organisations of the state (at both central and local levels) as well as institutional and individual actors from outside the formal political arena, such as voluntary organisations, private businesses and corporations, the mass media, and, increasingly, supra-national institutions, such as the European Union (EU) (Goodwin and Painter, 1996, 636)

In the UK it has become common to talk of a shift from local government to local governance (e.g., Goodwin and Painter, 1996; Stoker, 1996). This has been brought about by a battery of legislation and institutional reform which has increased central government control of local finances, privatised certain local services, and led to a general contraction in the service delivery role of local government, as local services are taken over by non-elected single function bodies (Johnston and Pattie, 1996). The ensuing organisational changes within local authorities are documented by Young (1996).

While the extent of change is generally accepted, there continues to be considerable debate about how the transition from government to governance should be conceptualised. Proponents of the concept of the ‘enabling authority’ identify a new strategic role for local government within the emerging system of local governance (e.g., Brooke 1989; Stewart, 1997). In the words of Osborne and Gaebler (1991) this entails local government ‘steering rather than rowing’, i.e., servicing and supporting the new single function agencies and co-ordinating their activities. This role, it is argued, allows local authorities to be more entrepreneurial, flexible and responsive to community needs. Stewart (1997) stresses its capacity to empower citizens, with consequential benefits for local democracy. However, as Cochrane (1991) notes, it is not clear whether the concept of the enabling authority is an accurate description of what has happened or a normative prescription for change, and Painter (1994) is sceptical about the extent to which the public sector reform programme in the UK can actually deliver the entrepreneurial government originally envisaged by Osborne and Gaebler.

A more radical interpretation of the change from government to governance is provided by Goodwin and Painter (1996), who see it as part of the shift from Fordist to post-Fordist regulation of the capitalist economic system, itself consequent upon the crisis of the Fordist mode of regulation in the late 1970s and early 1980s. Though they are not the only commentators to make use of the concept of post-Fordism, regulation theorists tend to view recent changes in a more negative light than adherents of the enabling authority model, highlighting a democratic deficit arising from a loss in
transparency and electoral accountability, and a new emphasis on efficiency rather than
equity objectives in the design and delivery of local services. In addition they are much
more likely to situate the driver for change at the level of central rather than local
government. The debate has not been entirely polarised, however, and some
commentators have questioned the extent to which there is really anything new in the
new local governance, pointing to a high degree of continuity in terms both of policy
objectives and styles (Imrie and Raco, 1999)

There are dangers in applying all, perhaps even any, of this analysis in Ireland, due to
the considerable political and institutional differences between Ireland and the UK.
Among the most significant of these in the present context are the historically more
restricted role of Irish local government in relation to welfare services, as noted earlier,
and the much more limited move towards privatisation, especially in the local
economy. In addition, and most fundamentally, Ireland did not experience the surge of
institutional change and associated legislative activity flowing from an ideologically
driven political agenda, as occurred in the UK in the 1980s.

However, after several decades of inertia, local government reform has re-appeared on
the political agenda in the 1990s. This has already resulted in a number of changes to
the operational structures of local authorities, with further change in the pipeline. The
period has also been one of intense growth in local development activity, much of
which has been reflected in institutional development outside of the local government
system. While the concept of governance has seen very little usage in Ireland, certainly
at local level, the question arises as to whether the recent developments might be
construed as evidence of a move in the direction of local governance, paralleling
international trends. The remainder of the paper attempts to answer this question by
examining the recent institutional developments and their national and international
context in detail.

A new localism in public policy: the emergence of local partnerships

Irish public policy, and in particular development policy, has adopted a radical new
local focus. This policy shift is based on a concept of local economic development,
which incorporates themes of enterprise, equity, efficiency and community
involvement:

*The government's policy, in relation to local development, is based on the
contribution which an area-based approach can make to tackling
unemployment and social exclusion; to promoting the growth and
development of new businesses; to increasing the effectiveness, efficiency
and responsiveness of public services; and to deepening the sense and
reality of citizenship.* (McCarthy, 1996)

The key institutional vehicle for this new local policy agenda is local partnerships. A
local partnership can be defined as a formal multi-agency organisational structure, with
a remit for local strategic policy making and implementation. In effect, local
partnerships are quasi-autonomous, para-governmental organisations, bridging
traditional distinctions between the public sector, the market and civil society. In a
weak and atrophied system of local government, local partnerships have brought a critical new vibrancy and focus to local public administration.

The factors behind the emergence of the new policy emphasis on local development, and the partnership structures associated with it, include the following:

- **identification of new areas / groups with major social need**
  During the 1980s, rates of unemployment, in particular long-term unemployment, grew considerably in Irish society, with knock-on effects on the nature and extent of poverty. The most visible spatial expression of this new social need was to be found in public housing estates. Given the existence of severe public expenditure constraints, the policy response was to emphasise better targeting of resources, culminating in the 1997 national anti-poverty strategy (Government of Ireland, 1997).

- **desire to improve the local delivery of national welfare services**
  Irish welfare services are largely designed and delivered by central government, with the principle exception of housing. The resulting lack of local integration in service provision emerged as a growing policy concern, especially given the multi-dimensional nature of contemporary social needs.

- **potential of local initiatives to generate employment**
  Faced with a growing unemployment crisis, public policy sought to explore the potential of micro-enterprise and community enterprise as sources of new job opportunities, especially in the personal and social services sector. Such jobs could be more easily targeted at groups in greatest need.

- **official support for community development and participation**
  Community involvement had long been a residual feature of Irish social policy, with numerous examples of autonomous and largely sporadic social movements, such as Muintir na Tire (a community development organisation) and the Irish League of Credit Unions, which received minimal state support. From the 1980s, however, the community sector gained official recognition as a policy actor in the social arena, initially under the rubric of local initiatives to tackle poverty, and since then in the mainstream of national policy-making.

- **involvement of the national social partners in the local implementation of policy**
  A feature of Irish policy is the roles played by trade unions and business in macro-economic formation, based around a series of national wage agreements. The potential of this national model to shape local policy has recently been explored, especially with regard to the provision of training and employment services.

In addition to the factors outlined above, the EU has had a crucial dual role in shaping the local policy emphasis. First, it has promoted new ideas and methodologies for local level intervention, through Community Initiatives such as the Third EU Poverty Programme, Leader and Urban. Second, it has provided the resources for new national programmes for local development through the structural funds, of which Ireland has been a major beneficiary as an Objective1 region. More generally, the size and importance to the national exchequer of EU transfers forced the government to accept
important parts of the Commission’s agenda in relation to social and economic development, including the prioritisation of local development and recognition of the contribution which local actors could make to such development.

The development of a local dimension in public policy was a gradual process, and a succession of pilot programmes, both Irish and EU directed, experimented with this new approach. Subsequently, these initiatives were mainstreamed in a major government programme promoting local urban and rural development, which was included in the EU co-funded Community Support Framework (1994-99). This programme has three separate strands: local enterprise, integrated development in disadvantaged areas and urban and village renewal. The first two are promoted through new local structures, local enterprise boards and local development partnerships respectively, while the third is delivered by local government.

Of most interest in terms of local governance is the sub-programme for integrated local development. This aims:

> to counter disadvantage through support for communities which make a collective effort to maximise the development potential of their areas, which are capable of a sustained effort to implement a plan and which have committed an appropriate level of local resources, broadly defined, to that process. (Government of Ireland, 1995: 59)

The sub-programme has a budget of approximately £100m and is divided into two operational strands: 80 per cent of resources goes to 38 local partnerships in designated areas of disadvantage and 20 per cent goes to 33 ‘community groups’ (in effect, mini-local partnerships) in non-designated areas. The lynchpin of the programme is the 38 local partnerships. These have the following features:

- a formal institutional structure (typically that of a limited company, without share capital);
- a membership base of approximately 15 local organisations, including public agencies, employers, trade unions, voluntary and community organisations, which have direct representation on the Board;
- a strategic approach to local planning and development;
- a strong focus on unemployment, poverty and social exclusion;
- limited financial autonomy, with a dependence on national government / EU funding.

The local partnerships are required to prepare local development plans, including measures relating to micro-enterprise, employment support, second-chance education, amenity and environmental projects, and community development. The sub-programme also has an equal opportunities theme, focusing on women, travellers (as an ethnic minority) and people with disabilities.

Other local development programmes such as Leader and Urban, have also fostered new local structures, but none of these have the official status, strategic policy remit or broad membership of the local partnerships¹. However, both these programmes

¹ In all, over 200 new autonomous local structures are involved in various local policy initiatives
provide additional support for local partnerships: some of the rural partnerships deliver both the Leader and the local development programme, while in urban areas, six local development partnerships are also in the Urban programme. The EU sponsored Programme for Peace and Reconciliation is also heavily accessed by local partnerships to fund local development initiatives, and some minor funding is provided from foreign government and private funds, e.g., the International Fund for Ireland and the Ireland Funds.

At national level, support for local partnerships is co-ordinated by the Department of Tourism, Sport and Recreation, which took over responsibility from the Department of the Taoiseach (prime minister), which initiated this approach (itself an indication of the central government support for local partnerships under the social partnership pact). There is also a minister of state (junior minister) with special responsibility for local development, who in turn reports to a ministerial committee on social inclusion. Funding for local partnerships under the local development programme is channelled through an intermediary body, Area Development Management, which also provides technical support to the partnerships, monitors their activities and facilitates networking and transfer of good practice. Other government departments and national agencies also have links to local partnerships, including the Department of Agriculture and Food which directly manages the Leader programme, and the Combat Poverty Agency which oversees funding under the Programme for Peace and Reconciliation, along with Area Development Management. These linkages are co-ordinated by an interdepartmental policy committee.

**The relationship between local partnerships and local government**

Local partnerships reflect an unique institutional apparatus for local intervention, incorporating both horizontal relationships with local agencies, including state bodies, community groups, business and trade unions, and vertical relationships with the pinnacle of Irish public policy making, national social partnership. As O’Donnell (1995) notes, this configuration is:

> virtually unthinkable in any other western European state. In most, a fairly settled structure of administrative, representative and political authority, from central through regional to local government, would define the structure within which new initiatives for local economic development would occur and would probably exclude the developments seen in Ireland. (O’Donnell, 1995: 227)

Local partnerships represent then a significant decentralisation of policy-making in an otherwise highly centralised system of public administration. In addition, they encapsulate a broadening of policy decision-making to include non-governmental interests. But while the linkage between local partnerships and central government has been well developed, the same cannot be said of the relationship to local government.

Local government, as a democratically elected institution, has traditionally assumed the lead role in representing the interests of local people in the policy process. However, over the years, the role has greatly diminished, due to the limited functions of local government and, in addition, the curtailed powers of local councillors over executive decisions, leaving them to adopt a largely clientilist role in representing people. (Expert Advisory Committee, 1991;
In addition, local government was widely perceived as remiss in its management of public housing estates - its one clear function - leading to considerable tensions between residents and local government.

Not surprisingly, then, when local partnerships were established, local government was allocated a relatively minor role, and elected members were specifically excluded from participation (only officers were included). This diminution in the role of local government was paralleled at national level by the exclusion of the Department of the Environment and Local Government from the government bodies overseeing local partnerships. As a result, local partnerships have operated apart from, rather than in conjunction with, local government. The sole exception has been in urban regeneration partnerships, supported under the Urban programme, where local government has negotiated an enhanced role on a par with other local actors (though again, at national level, the Department of the Environment and Local Government is not the lead body). The Urban exception reflects the strong orientation of this initiative to physical regeneration, including improvements in the built environment and provision of community facilities.

In a sense the existing weakness of local government was used to justify a further diminution of its role in relation to local partnerships. But this marginalisation has given rise to tensions between local government and the partnerships which have been evident in relation to three main issues.

Local co-ordination of development efforts
Local government has traditionally assumed the lead role in local (physical) development, though limited resources and functional capacity have restricted its ability to develop this role. The weak linkage between physical and socio-economic development initiatives has been particularly important in this respect, a situation which has become increasingly untenable because of the obvious overlaps between people and place poverty (McCafferty, 1999). The resources available to local partnerships (and not to local government) in respect of socio-economic development adds to local tensions between the existing and new local development bodies.

In response to this issue, central government established County Strategy Groups (CSGs) to co-ordinate the work of local partnerships, local government and other local development bodies, under the framework of the local development programme. The CSGs consist of representatives of these various interests, including (somewhat belatedly) elected local representatives. In reality, the strategy groups are mainly confined to information sharing and informal co-operation, and are explicitly not an executive structure for overseeing the activities of member bodies.

Public accountability
Ensuring the local accountability of public funding, if not its actual allocation, has been a primary function of local government. This is reflected in the membership of elected councillors on a range of local government agencies, including the local authority itself, health boards and vocational educational committees. The exclusion of elected members from local partnerships is seen by some as diminishing the financial accountability of these bodies. Indeed, some commentators have used the possibility of the corrupt use of funds as a reason for channelling local development monies through local government (Fitzgerald
and Keegan, 1993). This case has been given some substance with the revelation of unorthodox financial procedures in one local partnership.

Local democracy
The most serious point of conflict between local partnerships and local government is in terms of local democracy. Local government is based on a traditional model of representative democracy. Local partnerships provide a challenge to the hegemony of this model with its promotion of the direct participation of local people in its decision-making processes. This is not just an academic issue: its significance is felt on the ground in terms of undermining the traditional brokerage role of elected members with local communities. It has arisen in a more acute way where community representatives on local partnerships have competed (often successfully) with existing local authority members for election to local public office.

Towards the integration of local government and local development
The tensions noted above have been instrumental in forcing a re-think on relationships between local government and the partnerships. In addition though, the changing external (EU) context for local development has also been important. This new context is characterised by rapid economic and employment growth, the convergence of Irish GDP per capita levels on the EU average, the consequent loss of nationwide Objective 1 designation, and reduction in structural and cohesion fund aid. Although the decrease in EU assistance agreed at the Berlin summit in March 1999 is not as great as had initially been expected, nevertheless the new National Development Plan will rely to a much greater extent on exchequer than on EU funding. The £3.4 billion pounds funding package agreed with Brussels is only a small proportion of the £50 billion in spending recommended in the ESRI (1999) report National Investment Priorities for the Period 2000-2006.

Ironically the reduced availability of EU support seems likely to force a more coherent approach to development policy at both regional and local levels, with the prioritisation of measures in the National Development Plan being based less on their likelihood of attracting supporting EU funding and more on the basis of their ability to contribute to long-term development goals. The reduction in state aids to the non-Objective one region is likely to have a similar impact, by forcing a greater emphasis on fostering indigenous productive capacity and on supply-side measures including infrastructural development. The need to have in place more coherent structures for sustainable development by the middle of the next funding period, when financial assistance will have begun to decrease significantly under transition arrangements, together with the largely political factors noted in the previous section, has created a strong impetus towards institutional reform at local level.

The roots of this reform can be traced back to the establishment in 1995 of a Devolution Commission which was mandated by government to advise on the devolution of functions from central to local level and also on measures which would improve co-ordination between local government and local development agencies. In the second of two reports, the Commission noted that the dominant theme emerging in its consultations with government departments and other interested individuals was the
need for closer links and co-operation between the local government and local
development systems (Devolution Commission, 1997: 11). While recommending that
these systems should be brought together and simplified the Commission was non-
prescriptive about how this should be done.

More specific in this regard was the White Paper *Better Local Government* which
appeared while the work of the Devolution Commission was on-going (Department of
the Environment, 1996). The White Paper set itself the aim of giving local government
an enhanced status commensurate with its democratic mandate. Among other
measures, it envisaged a wider role for local government in relation to local
development. To facilitate this, it recommended the establishment in each city and
county of a Community and Enterprise Group (CEG), charged with the task of co-
ordinating the various local development initiatives (replacing the County Strategy
Groups) and developing a plan for the integration of local government and local
development in each area. The CEGs were to function as one of a number of Strategic
Policy Committees (SPCs) of the local authority, but in addition to elected members of
the local authority, the groups would draw not less than half of their membership from
the local development agencies. In essence the White Paper sought to bring policy
making on local development within local government structures.

Following a change of government in June 1997 the proposal to establish Community
and Enterprise Groups within the sub-committee structure of local government was
put on hold, and the Devolution Commission disestablished. However, the integration
of local government and local development activity remained central to government
policy. Accordingly, an inter-departmental task force was established to draw up a
model for co-ordinating at local level the wide range of public services involved in
social, economic and community development. In its report the task force further
develops some of the ideas in the White Paper (Department of the Environment and
Local Government, 1998). It notes the strengths and weaknesses of the various actors
involved in local development activity, including: the high level of electoral and
financial accountability of local government but its lack of flexibility in responding to
community needs; the high level of innovation of the partnerships and the success of
the Leader groups in mobilising community effort, counterbalanced by the lack of
democratic controls and of a strategic focus. The task force then outlines a series of
measures designed to lead towards integration of the two systems in a manner which
builds on the strengths of both.

The key recommendations of the task force are:

- the establishment by 1st January 2000 of City / County Development Boards
  (CDBs) with membership drawn in a balanced manner from the local authority, the
  local development agencies, the social partners, and state agencies.

- the preparation by each CDB by 1st January 2002 of an integrated strategy for local
  economic, social and cultural development which will comprehend all locally-
delivered public services. The CDB will also oversee the implementation of the
  strategy.
Like the proposed Community and Enterprise Groups, the CDBs come under the local government umbrella, but with a different linkage to the local authorities. In order to better facilitate the co-ordinating role of the CDB, the local government representatives will consist of the chairs of the strategic policy committees and the chairperson of the council, as well as the city/county manager (Department of the Environment and Local Government, 1999). The chairperson of the CDB is to be selected by the local authority members from among their number, and each Board will be serviced by a Director of Community and Enterprise whose task is to prepare for the establishment of the CDB in liaison with the County Strategy Groups. The Director will be an employee of the county/city council, further strengthening the link to local government.

The CDBs are not conceived of as executive agencies, but rather as mechanisms for co-ordinated strategic planning at local level. The existing local development bodies will continue to exist, but with some rationalisation in order to reduce functional and territorial overlap. While the urban partnerships will continue to focus on the problem of disadvantaged urban areas, the future of the rural partnership companies is less clear due to the proposal to introduce a single agency approach in each designated disadvantaged area. As Curley (1999) notes this could exacerbate existing difficulties of targeting disadvantaged groups in areas of low population density (see Walsh et. al. 1998 for a discussion of these problems).

**Conclusions**

What light does the recent history of the relationship between local government and local development initiatives, as described in detail above, throw on the issue of local governance in Ireland? Two major points stand out. First, while it may be possible to interpret the growth of a new commitment to local development and of associated new institutional structures as the emergence of a new local governance, there is no evidence to suggest that the role of local government has been diminished. Rather the thrust of recent developments, beginning with the White Paper on Better Local Government, and culminating in the report of the Task Force on the Integration of Local Government and Local Development Systems, is towards an enhanced role for the local authorities. While the creation of the City and County Development Boards certainly entails the incorporation of a much wider spectrum of actors into the policy-making process at local level, this is taking place under the umbrella of local government and with the elected members having an enhanced policy-formation role.

Second, it is significant that of the two tasks which were initially entrusted to the Devolution Commission, it is that of advising on local integration which has been carried through. The task of making detailed recommendations on the devolution of functions to local level had not been completed by the time the Commission was disestablished. While there is undoubtedly a need to co-ordinate the activities of the various local development agencies (including partnerships), the statutory service providers and local government, it must be recognised that in providing for only this role, the proposals for City / County Development Boards still fall some way short of giving a strong pro-active role in local development to local government, or more generally to the local governance system.
The Task Force report sees local, area-based co-ordination as a substitute or compensation for the continued reliance on a functionally-based model at national level (Department of the Environment and Local Government, 1998: 4). Yet experience with the local partnership companies has revealed the difficulty of achieving effective co-ordination at local level in the absence of structures for co-ordination at national level (Walsh et al., 1998). These problems represent significant difficulties and whether the new structures can overcome them remains to be seen.

Finally, to return to the regional level, it is clear that the recent changes are likely to have the effect of reinforcing the county as the primary tier of sub-national government. Notwithstanding the changes envisaged in Better Local Government which are designed to give an increased role to the regional authorities it would appear that until there are direct universal suffrage elections of their membership, the regional institutions are going to continue to have a Cinderella status in the Irish system of government and administration. In themselves the moves to give a wider role to the local authorities will do nothing to enhance the status of the regional authorities: if anything the opposite is likely to be the case. If power is to flow in any direction out of the county and city authorities it is likely to be towards the lower, electoral area, level. In part this reflects the lack of integration between the regional and local levels in development policy; the need for this integration, based on a clearer understanding of the relationship between development activity at the two levels, represents one of the major challenges for the next phase of national development.

References

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