



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government



Final Report of the Local Government/Local Development Alignment Steering Group

March 2012

Table of Contents

1. Introduction.....	3
2. Key Points from the Interim Report.....	7
3. Context for Recommendations	10
4. Findings and Conclusions	13
5. Recommendations.....	18
Appendix 1 – Steering Group Membership	25
Appendix 2 – Alignment Steering Group Approach and Methodology	26
Appendix 3 – List of Submissions Received	28
Appendix 4 – Alignment Steering Group Meetings with Stakeholders.....	30
Appendix 5 – Diagrammatic Representation of the Local Development Landscape	31
Appendix 6 – Summary of funding under several key Local and Community Development Programmes	32
Appendix 7 – Local Development Companies	37
Appendix 8 – County/City Councils	40
Appendix 9 – Other Local Development Bodies	41
Appendix 10 – Interim Report of the Local Government/Local Development Alignment Steering Group (December 2011).....	42

1. Introduction

The Steering Group for the Alignment of Local Government and Local Development was established by the Minister for the Environment, Community and Local Government, Mr. Phil Hogan T.D., in September 2011.

The Steering Group was given the following Terms of Reference:

- Review the role of Local Government in Local and Community Development;
- Review the role and contribution of Local and Community Development programmes in order to determine the scope for greater synergy with Local Government; and
- Make recommendations on how the alignment of Local Government and Local and Community Development should be progressed with a view to:
 - a. improving delivery of services for the citizen at a local level;
 - b. achieving greater efficiency and effectiveness; and
 - c. enhancing the role of local authorities in the delivery of Local and Community Development programmes and functions.

The membership of the Group is attached in Appendix 1.

The Group presented an interim report to the Minister on its work to end-November 2011, and this was made available on the Department's website at www.environ.ie¹ and is at Appendix 10 to this report.

Following completion of the Interim Report, the Group reviewed submissions made by interested parties and met with key stakeholders, including the Irish Local Development Network, representative associations of elected local authority members, the County and City Managers' Association and Pobal². It was assisted in its work by the Centre for Effective Services.

In addition, the Steering Group notes that the Government's Action Plan for Jobs (February 2012) recognises the scope to build on successful job creation models that are driven by local communities and leaders. The Plan indicates that, in view of the close links between local government and the community, the Government will develop a new strategy to promote employment and support local

¹www.environ.ie/en/Community/AlignmentofLocalGovtLocalDev/#Interim%20Report

²A list of those who provided views either in response to the Department's consultation questionnaire, or directly, is attached in Appendix 3

enterprise by local government and will align community-based efforts with local government activity.

The Group's recommendations to the Minister in this Final Report reflect its deliberations over a four-month timeframe and should be read in association with the Interim Report. In that Report, based on its Terms of Reference, the Group reviewed the role of local government in local and community development, considered the role and contribution of local and community development programmes delivered by the local development sector, and put forward some initial conclusions on the need for change and suggestions for a way forward. The Interim Report also contains background information which provides a summary of the scale and scope of programmes and initiatives operating in the local and community development sector through local development companies and county/city councils. This provides useful contextual information in reading this final report. Key points from the Interim Report are outlined in Section 3.

Summary of the Steering Group's Final Recommendations

A summary of the Steering Group's recommendations is set out below. The full recommendations are detailed in Section 5 of this report.

Local and Community Development Policy

A national Local and Community Development Policy should be developed. This should set out national priorities and a framework for the realisation of a cross-government approach at local level.

Inter-Departmental Group

The policy should be developed with the support of an Inter-Departmental Group (IDG). The IDG should also lead and oversee the implementation of a coherent whole-of-government approach to planning, management and delivery of local and community development programmes and interventions.

County/City Local and Community Plan

A County/City Local and Community Plan, encompassing all state-funded local and community development interventions, should be developed for each city/county area. This five-year plan, prepared as part of the normal local government electoral cycle, should set out an integrated approach to local authority community-focused programmes, local development programmes funded by the Department of the Environment, Community and Local Government and those funded by other government departments and agencies. Priorities for expenditure should be based on a detailed needs

analysis and matched to available resources. It should be consistent with other local authority plans and it should be approved by the elected members.

Socio-Economic Committee

A Socio-Economic Committee (SEC) should be established by each county and city council. The SEC should have responsibility for planning and oversight of local and community programmes and should be established on a statutory basis. It should be responsible for developing the County/City Local and Community Plan.

Funding and Accountability

Oversight responsibility for the management and disbursement of local and community development programme funds, the matching of resources to priorities and achievement of value for money in accordance with the County/City Local and Community Plan should be vested in the SEC.

Territorial Alignment

Strategic planning for local and community development programmes should be based on local authority county/city boundaries.

Improving Efficiency

Local and community development programme administration costs should be set at a more sustainable level. This will require a shared approach to the determination of administration budgets by government departments/state agencies, including the standardisation of administration costs across all such programmes. Shared service, facility and accommodation arrangements should be agreed and implemented across local development companies and between county/city councils and local development companies. More clearly defined limits on overhead/administration costs should be specified in all future contracts for local development funding as agreed by the funding departments/agencies.

Greater Effectiveness and Identification of Best Practice

Robust systems for impact measurement and assessment should be further developed to facilitate the planning and implementation of local and community development programmes and interventions. The content of programmes should reflect national priorities, including job creation, and be based on locally identified needs and appropriate targeting of resources to the most disadvantaged. Programme development, delivery and impact assessment should be supported by cross-government sharing of data and informed by best practice.

Capacity Building and Change Management

DECLG, in co-operation with the Inter-Departmental Group, should manage the change process arising from these recommendations and oversee a support and capacity building initiative across all relevant sectors to underpin their successful implementation. This should draw on all available resources including national and international guidance on best practice in building local capacity, developing an integrated approach to local development programmes and effective inter-agency working.

LEADER

The SEC structure should be considered as the vehicle through which the LEADER approach³ is implemented for the 2014-2020 round of EU.

Phased Implementation

The alignment of the local government and local and community development sectors should be pursued on a phased basis over the period 2012-2014, in a way that will secure optimum value from available resources and enhance service delivery for local communities. It should provide for capacity building across both the local government and local development sectors, and should be implemented in a way that promotes a spirit of co-operation, trust and respect between the sectors.

³ LEADER (Liaisons entre actions de developpement de l'économie rurale) is a bottom up methodology for implementing local development actions that has been utilised within EU rural development policy since 1991.

2. Key Points from the Interim Report

The Role of Local Government in Local and Community Development

The Steering Group acknowledges the role of local government as a forum for the democratic representation of local communities, promoting their interests and exercising statutory powers at local level. Although local government activity and services are sometimes perceived to be confined to infrastructure provision and enforcement of regulations, local authorities have, to an increasing extent, embraced an enhanced multi-disciplinary role in local, community and enterprise development. This includes working with the local and community development sector to promote the interests of local communities and playing a lead role in co-ordinating the delivery and integration of services at local level through the City/County Development Boards (CDBs). While recognising that local government has developed additional local and community development expertise in recent years, there is scope to further develop the standing, capability and role of local government in this area.

In considering the role of the CDBs as the primary interface between local government and the local and community development sector, the Group acknowledges the value of the CDB model as originally envisaged, particularly in relation to the interagency work that operates under that structure. However, it also recognises that the CDB is not the appropriate vehicle for the alignment of local government and local development in line with the recommendations set out in this final report.

Role and Contribution of Local and Community Development Programmes

The Steering Group recognises the origins of the local development companies and the programmes they deliver. The establishment of local development partnerships as a response to the social and economic challenges of the 1980s laid the foundation for the ‘bottom up’ approach and the creation of local development programmes and companies. Over the years, a continued proliferation of entities and structures ultimately led to the ‘Cohesion Process’, which resulted in the merging of Partnership and LEADER companies into single, mainly county-based entities, and reduced their number from 94 to 52. The Government also agreed arrangements for an integrated approach to service delivery and full nationwide coverage by the 52 companies, as well as improvements to their democratic legitimacy, social partnership and local involvement. At the same time, the role of Pobal has continued as an important part of the local development infrastructure. It has worked since 1992 as an intermediary on behalf of Government, managing programmes to support communities and local agencies with responsibility *inter alia* for encouraging strategic co-ordination across programmes and, in respect of its work with local development companies, providing guidance on governance and identifying and disseminating good practice.

Key strengths of local development companies include their reach into their communities, their proven track record of leading social inclusion and local and community development initiatives, and their significant local knowledge and expertise in service planning and delivery.

The Steering Group is also conscious of the limitations of the local development company model. These include:

- the considerable administrative burden on local development companies;
- the potential for duplication and overlap because of the complexity of the local development landscape;
- the multiple funding and reporting arrangements; and
- the demands and hidden costs associated with the requirement on various stakeholders to participate in multiple boards and structures at local level.

There is a question as to whether the existing arrangements facilitate integrated service delivery and ease of access for the service user⁴. It is clear that, with notable exceptions, there is insufficient sharing of services with other similar bodies or public service providers and that there is a gap in accountability to the democratic local government structures. Local authorities generally have limited input into strategy or decision-making in relation to local development programmes.

Scope for Greater Alignment between Local Government and Local Development

In its Interim Report, the Steering Group reached a number of preliminary conclusions in respect of the existing arrangements, and in particular, the respective roles of local authorities and the local and community development sector. In setting out a way forward for the achievement of greater alignment, the Group identified the need to:

- achieve a more coherent approach to local service provision with:
 - an enhanced role for local government in planning and oversight,
 - improved access to frontline services for citizens,
 - reduced administrative and bureaucratic burdens, and
 - greater value for money;
- embed the ‘bottom-up’ approach as an integral part of the planning and decision-making process;
- provide strong national oversight to ensure a more integrated and targeted cross-government and cross-programme approach, and to drive consistency of standards and approaches; and

⁴See Appendix 5 for a diagrammatic representation of the local development landscape.

- allow flexibility at local level to customise programmes and policy initiatives to local needs and priorities within a framework of clearly defined national priorities.

Final Report

In the final report the Steering Group brings forward these considerations and, in line with its Terms of Reference, makes recommendations with a view to improving the delivery of services for the citizen at a local level, achieving greater efficiency and effectiveness, and enhancing the role of local authorities in the delivery of local and community development programmes and functions.

3. Context for Recommendations

The Steering Group reaffirms the guiding principles it set out in the Interim Report. Further deliberations have reinforced its recognition of the value of a developmental ‘bottom-up’ approach to community and local development, and the added value of community and locally generated solutions to the problems associated with the current economic crisis. The Group recognises the strength, experience and democratic legitimacy of local government and appreciates the capacity in local authorities to promote the interests of local communities. As part of the local government reform process, it is expected that there will be scope for further action to underpin that capacity.

A number of considerations have influenced the Steering Group’s deliberations and underpin its conclusions and recommendations.

Previous Considerations of Alignment

The alignment of local government and local development has been the subject of a number of previous reports and government initiatives. Reports include *Better Local Government: A Programme for Change* (1996), the *Report of the Task Force on Integration of Local Government and Local Development Systems* (1998) and the *Indecon Review of the County/City Development Board Strategic Reviews and Proposals for Strengthening and Developing the Boards* (2008). Two cohesion processes were implemented under the Department of Community, Rural and Gaeltacht Affairs⁵ (the establishment of integrated local development companies and the integration of the Local Development Social Inclusion Programme and the Community Development Programme). Proposals for greater alignment have ranged from practical measures for improving existing arrangements, to more radical interventions requiring amalgamations of local entities in order to reduce the number of structures. The democratic deficit in relation to local development activity has been a recurrent issue, particularly in light of the importance of the elected members’ role in development planning. Citizen engagement has also received some attention in studies on the topic, which advocate a combination of top-down and ‘bottom-up’ approaches in a way that involves communities in planning and decision-making.⁶

The analysis and recommendations in *Better Local Government* recognised local authorities as key players in the development of local areas and communities and the value of the partnership model of local development. A participative approach, enabling communities to take responsibility for their

⁵Later the Department of Community, Equality and Gaeltacht Affairs

⁶Airey, S. (2006) *Communities, Voices and Change: A Report on the Policy Work of CDPs, FRCs and Partnerships*.

Dublin: Combat Poverty Agency; O’Keefe, B. (2008) *Local Governance: The Case of Dún Laoghaire Rathdown*. Dublin: Southside Partnership - SPAN Research Publications.

own affairs was advocated. It was envisaged that this could be progressive, enabling local government and local development to move closer towards each other, while recognising the strengths of each and exploiting the opportunities for synergy and joint action.

Local Government Reform

The current local government reform process is highly relevant to the work of the Group. The structure and functions of local government are under review and proposals for change are anticipated in the short and medium-term. Alignment of local government and local development is a significant element of the local government reform agenda and builds on the policy direction originally outlined in *Better Local Government* and considered further in the *Green Paper on Local Government Reform – Stronger Local Democracy – Options for Change* (2008) and the *Report of the Local Government Efficiency Review Group* (2010). The Local Government Efficiency Review Group, in particular, concluded that local development bodies should more closely align the delivery of their programmes and plans with those of the relevant local authorities to ensure maximum value for money and a more focused impact on local communities. It considered that local government, as a directly-elected tier of government, should be given greater responsibility for the provision of local and community-based services. A group has been established to oversee the implementation of the Review Group's recommendations.

New proposals for local government reform should support an enhanced alignment between local government and local development. Accordingly, the Group is conscious of the need to allow for some adjustment of its recommendations in that context.

EU Programmes 2014-2020

European Commission thinking regarding the implementation of community-led local development has evolved considerably and draw heavily on experience across the Member States. Current Commission proposals for the forthcoming programming period 2014-2020 envisage a broader use of community-led local development across the range of EU structural funds. Details are still awaited, however, the Group believes that this could present new opportunities for both the local government and local development sectors, were Ireland to opt for this implementation approach.

Draft regulations for the Rural Development Programme 2014-2020 have been published and the approach to be taken to the LEADER elements may have implications for the structures that will be put in place to implement the programme. Under the current programming round, the LEADER approach is used to implement all actions under Axis 3 of the Rural Development Programme, namely those measures supporting quality of life in rural areas and the diversification of the rural economy. For the next programming round, however, consideration could be given to the direct delivery of

certain ‘outside-the-farm gate’ measures by county councils, such as the implementation of basic services and village renewal actions, rather than confining these actions to delivery through the LEADER approach, as is the case at present.

The LEADER approach has been implemented in Ireland with notable success since its introduction as a community initiative two decades ago. It is important that any revised arrangements should build upon this achievement. The Steering Group acknowledges the findings of the 2010 European Court of Auditors report on the implementation of the LEADER approach and the need to maintain, at all times and in all circumstances, the correct Local Action Group structure in full compliance with the relevant EU regulations.

A Phased Approach

The Steering Group is convinced that the introduction of revised arrangements for the governance of local and community development programmes must be based on a solid foundation and be underpinned by significant preparatory work. The approach and ethos of the local development companies, based on community involvement, and interventions tailored to address particular local needs, are fundamental elements of the local development model in Ireland. Considerable care should be taken to maintain the integrity of this model. A smooth transition to new arrangements will require a programme of capacity building for both local government and local development to take account of the scope and scale of the changes involved. It is also important that detailed maps of the services currently available/delivered across each city/county are prepared to facilitate an enhanced planning and oversight role for local government. From a practical perspective, contractual and legal arrangements underpinning the local and community development programmes will need to be reviewed and accommodated in the move to new working and reporting arrangements.

Value for Money

The continuing pressure on public finances emphasises the need for programmes to deliver sustainable impacts, and puts a greater focus on frontline service delivery, cost effectiveness and on meeting government priorities. These are particularly important in relation to job creation and employment. While resources are severely constrained, government has continued to prioritise community spending and co-funding of EU investment for community purposes. In 2012, against a backdrop of reduced Department of the Environment, Community and Local Government (DECLG) budgets, overall funding for the Department’s local and community development programmes has largely been maintained. The LEADER elements of the RDP increased by €34m over the 2011 allocation and additional resources were allocated towards the development of philanthropy. It is vital that the value of such funding is maximised, with an emphasis on delivering frontline services and achieving greater co-ordination across programmes to minimise duplication and administration.

4. Findings and Conclusions

National Local and Community Development Policy

At present, there is no over-arching policy for national local and community development which can underpin a ‘whole of government’ approach to the planning, oversight and delivery of local and community development programmes, at either national or local level. The *White Paper on Rural Development* (1999) and the *White Paper on the Supporting the Community and Voluntary Sector* (2000) are the most recent national policies in this area and do not provide an adequate response to the current issues and challenges. Moreover, they do not directly address many of the local and community development issues that the Steering Group has been deliberating. This policy gap has sometimes facilitated the ad hoc evolution of local and community development structures, usually to meet particular funding requirements. A range of structures and services has evolved under the auspices of various government departments, most of which have insufficient local authority engagement or oversight.

It is difficult to strike a balance between national priorities and the flexibility needed at local level to customise interventions to the local context. This is reflected in the apparent tension between ‘top down’ programmes based on national government priorities and budget lines, and the ‘bottom up’ approach involving participation and decision-making at local level. For instance, in the current economic conditions, there is a particular need to prioritise job creation and employment readiness within local and community development programmes, while at the same time addressing the dangers of entrenched unemployment which can require very intensive and localised interventions.

Territorial Alignment

In some instances, local and community development programmes are delivered across county/city council boundaries or delivered by several local development entities within individual council boundary areas. Consequently, councils may be required to engage with local development companies partially based outside their administrative areas, or to engage with multiple companies within their own areas. Similarly, those local development companies operating across county/city council boundaries must deal with two or more councils.

These arrangements impose administrative burdens on organisations and individuals. Furthermore, the scope for city/county councils to engage in joined-up planning and co-ordinated oversight of local and community development programmes is hindered where operational areas for these programmes are not territorially aligned with the relevant council boundaries.

Local and Community Development Planning

Local development companies currently have a key role in implementing a broad range of local and community development programmes that operate outside the ambit of local government. County/city councils are the planning authorities with responsibility for spatial planning, which is concerned with *inter alia*, setting social and economic objectives in both the overall county/city plan, as well as in local area plans at sub-county/city level. There is a prescribed consultation process for developing these plans under the Planning and Development Act 2000.

Separately, local development companies devise strategies and plans at local area level for social and economic development which, like the county/city councils, also involve consultation and community engagement. The development of such plans/strategies is usually directly related to the delivery of specific programmes, such as the Local and Community Development Programme (LCDP) and LEADER⁷.

The parallel approaches may hinder comprehensive integrated planning and service delivery. There are, however, notable examples of good practice where county/city councils and local development companies have worked together to integrate the two different planning and consultation functions and processes. This investment on the part of county/city councils and local development companies in joint planning and consultation can result in the development and implementation of vibrant plans with strong community ownership.

The Steering Group recognises that the CDB structures provide an inter-agency, strategic planning framework at a local level and are responsible for co-ordinating and integrating local service delivery, including the local development sector. They are also involved in the co-ordination of a range of services and programmes, including County Childcare Committees, Sports Partnerships and Social Inclusion Measures Groups. Efforts to ensure the co-ordination and complementarity of plans at local level have included a specific requirement that CDBs endorse LCDP, County Childcare and other plans. Experience with the LCDP has shown that the endorsement is not fully effective and, in 2012, it has been replaced by an approval process that provides a direct link between the approval of plans and the annual allocation of programme funding to local development companies.

Need for Greater Efficiencies

High overheads and administration costs, and bureaucratic burdens upon organisations and individuals, have become established under the current local and community development model.

⁷Axes 3 and 4 of the Rural Development Programme Ireland 2007-2013

The Group believes that this stems from a number of sources:

- the multiplicity and complexity of local development structures;
- the lack of a joined-up, cross-government approach to the planning, oversight and delivery of programmes, at either national or local level; and
- the requirement for organisations to be represented on local boards and various consultative bodies.

The Group is convinced that addressing these issues should result in a more efficient and cost effective delivery of services for citizens at local level.

The administration of local and community development programmes should be addressed in a more coherent fashion, particularly with regard to cost. For example, there is no agreed framework across the central funding departments to determine the appropriate percentage of administration costs related to programmes, or to relate costs to outcome assessment and impact. Administration budgets are currently agreed with local development companies on an individual programme basis, with little consideration given to the level of administration funding already being provided to the company for the delivery of other publicly funded programmes. County/city councils also deliver a range of community initiatives and programmes, which should be considered in the overall planning and delivery of local and community development programmes and initiatives.

Cost Effectiveness and Variation in Standards

The Group is aware that the funding of local and community development programmes by a broad range of government departments/agencies is based on different reporting requirements and systems for measuring outputs, outcomes and impacts of funding. There is little cross-programme capture of data, analysis or evaluation of local and community development interventions. This disjointed approach by central government means that the information collected or available often requires significant analysis to develop an accurate assessment of the level of expenditure on locally based interventions. Furthermore, the extent to which planning and decision-making for the provision of services is underpinned by adequate identification of needs is unclear.

Another concern is the difficulty in measuring the relative performance of local development companies, given the diverse range of programmes and activities they deliver. Other factors that hamper the measurement of relative performance are the differing administration costs and staffing levels. As a result, there is a lack of robust data to make comparisons across the companies. Government departments need to address the gaps and deficits in this area so that a shared understanding can be devised at national and local level, and to provide a robust and accurate picture

of the overall level of services and funding flowing through local development companies from the Exchequer.

A greater focus should be put on the assessment of needs to support the effective targeting of scarce resources. The new framework for the LCDP, devised in 2009, provides for greater evidence-based planning and impact assessment, which will be reflected in the evaluation of the programme in 2012/13. Nonetheless, a more coherent and holistic approach across different departmental programmes would provide for a progressive move from output to impact assessment. This would be consistent with the Public Service Reform Plan and the Government's new budgetary planning and reporting system. In particular, the Public Service Reform Plan has identified 'sectoral reform', focusing primarily on frontline service delivery, as the priority for relevant government departments and related organisations. It proposes a set of cross-cutting initiatives enabling the delivery of quality and cost-effective frontline services to citizens that reduce duplication and support more streamlined services and support structures.

Capacity Building and Change Management

The Steering Group recognises that the greater alignment of local government and local development will set in train a process of significant change for the organisations concerned. The expansion of the county/city council role will be particularly challenging, in terms of the availability of resources and necessary skill sets, and the extent and scope of the changes involved will vary. It will involve not just procedural and structural change, but also a change of ethos and approach from the key parties involved.

There are many areas where positive and dynamic relationships between county/city councils and local development entities already exist, and others where there is a need to improve or initiate collaborative working. It is worth noting also that these challenges will arise at a time when local authorities are managing other changes associated with downsizing in the public service and the ongoing reform of local government.

The fact that a broad range of local and community development actions have been delivered over the past three decades by local development bodies means that some city/county councils may find themselves short of the essential skills required to assume an enhanced role in the co-ordination and oversight of local and community development programmes. However, many county/city councils do have skilled staff with experience in relation to CDBs, RAPID, Social Inclusion and broad community and enterprise functions. Local development companies have focused on a 'bottom-up' delivery of local and community development interventions and have used participative methodologies for

engaging with target groups and undertaking broad-based and sectoral-specific consultations. They also have significant local knowledge and expertise in service planning and delivery.

An enhanced role for local government in the planning and oversight of local and community development programmes, and the fostering of a ‘bottom-up’ ethos within the sector, will require a greater understanding and increased capacity within county/city councils. In this context, it will be important that strong leadership is in evidence across the local government sector to demonstrate a commitment to expanded responsibilities in this area.

In summary, it is the view of the Group that the above issues point to a need for:

- the development of capacity in both the local government and local development sectors;
- political, institutional and central government ‘buy-in’ to be underpinned by structural and procedural change, as well as a change of ethos and approach by key parties involved;
- an agreed impact assessment framework across government departments for use at local level; and
- building greater trust and collaboration between the local government and local development sectors so that the best of both systems can be aligned to secure more effective delivery of services and supports to local people.

5. Recommendations

The recommendations set out below are based on the Steering Group's foregoing analysis and deliberations. They are aimed ultimately at improving services to citizens at local level, contributing to economic and social well-being, making maximum use of resources to benefit local communities, and contributing to economic recovery and employment.

1. National Local and Community Development Policy

A national Local and Community Development Policy should be developed. This should set out national priorities and a framework for the realisation of a cross-government approach at local level.

A revised model for improved, more efficient and effective delivery of local services to citizens should be underpinned by a clear and up-to-date policy framework which provides a coherent rationale for local government and local development alignment and the structures that should support it. It should provide for a flexible approach to service delivery so as to customise delivery to local needs and priorities.

This policy should be developed with the support of an Inter-Departmental Group (IDG). The IDG should also lead and oversee the implementation of a coherent whole-of-government approach to planning, management and delivery of local and community development programmes and interventions.

In the interests of effectiveness, the IDG should be small and task-focused: it should have clear terms of reference and a mandate to oversee the alignment process, and should operate for a period of no more than three years. The IDG should be led by a senior DECLG official. It should comprise only those government departments with direct local and community development programme involvement, a representative of the County/City Managers Association and a representative of the Irish Local Development Network. The Group should also be responsible for driving and overseeing the development and management of a comprehensive change management programme for both the local government and local development sectors. 'Buy-in' from relevant government departments to the IDG will be critical to its success.

2. County/City Local and Community Plans

A County/City Local and Community Plan, encompassing all state-funded local and community development interventions, should be developed for each city/county area. This five-year plan, prepared as part of the normal local government electoral cycle, should set out an integrated approach to local authority community-focused programmes, local development programmes funded by DECLG and those funded by other government departments and agencies. Priorities for expenditure should be based on a detailed needs analysis and matched to available resources. It should be consistent with other local authority plans and approved by the elected members.

Local development companies have a key role in the development of County/City Local and Community Plans. Their expertise and capabilities should be fully harnessed in that regard. The community and voluntary fora should also be used as key bodies for consultation in this process. This will strengthen the ‘bottom-up’ approach and enhance community engagement in the planning process, thereby facilitating a more effective targeting of resources and delivery of bespoke solutions for the communities involved. The Plans should be based on meaningful community involvement, careful needs-analysis, matching resources to identified needs and delivering bespoke solutions for the communities involved. Planning and programme delivery by the local development companies in respect of the areas in which they operate should fully reflect the priorities of the respective Plans.

A Socio-Economic Committee (SEC) should be established by each county and city council. The SEC should have responsibility for planning and oversight of local and community development programmes and should be established on a statutory basis. It should be responsible for developing the County/City Local and Community Plan.

The SEC’s statutory status will underpin its role and authority in local and community development planning and oversight. It should have a tightly defined membership with executive support led by the County Manager/Director of Community and Enterprise. It is the view of the Steering Group that, to be effective, the SEC should comprise no more than 15 members, representing the local authority, local and community interests and appropriate State agencies.

The Group also concludes that the SEC is a more appropriate mechanism to deliver on the County/City Local and Community Plan than the CDBs as currently structured and mandated. The level and method of engagement by State agencies with SECs and local development companies should be determined in due course by the IDG. This may include scope for the SEC to engage with statutory and non-statutory actors as the need arises. The other functions of the CDBs, outside of the

local and community development arena, are a matter for consideration in the context of the further reform of local government, including the government decision to establish ‘Local Enterprise Offices’ as ‘one-stop-shops’ in each county/city council, combining the functions of the City/County Enterprise Boards with the councils’ business support functions.

3. Funding and Accountability

Oversight responsibility for the management and disbursement of local and community development programme funds, the matching of resources to priorities and achievement of value for money in accordance with the County/City Local and Community Plan should be vested in the SEC.

An enhanced role in planning and oversight of programme implementation at local level by the SEC should be accompanied by a corresponding oversight responsibility for the management and disbursement of programme funds. This should ensure effective matching of resources to identified needs. It will also provide a robust mechanism through which the cost effectiveness of programmes can be monitored and addressed, ensuring a more efficient administration and reducing duplication.

Decisions regarding the allocation of funding will rest with the SEC, while administrative functions, including *inter alia* payment of funds, performance monitoring, auditing and reporting will be undertaken by the county/city council. The disbursement of local and community development funds will be subject to financial procedures and controls consistent with other funds disbursed by county/city councils, and which ensure compliance with all programme regulatory requirements. Responsibility for accounting for outcomes and impact of programmes will also move to the County/City Manager over time. These new arrangements will involve a major adjustment for all involved, and it will be necessary for the SEC’s level of responsibility to be expanded on a phased basis, in the context of a programme of change management and capacity building. New structures will take time to become embedded and there will be a necessary learning process for county/city councils and local development companies.

4. Territorial Alignment

Strategic planning for local and community development programmes should be based on local authority county/city boundaries.

Programme planning and, where appropriate, delivery along county/city council boundaries are fundamental to successful alignment and should underpin a more coherent approach to service

delivery. Territorial alignment should reduce administrative and bureaucratic burdens, lessen duplication and result in more effective use of public funds.

5. Improving Efficiency

Local and community development programme administration costs should be set at a more sustainable level. This will require a shared approach to the determination of administration budgets by government departments/state agencies, including the standardisation of administration costs across all such programmes. Shared service, facility and accommodation arrangements should be agreed and implemented across local development companies and between county/city councils and local development companies. More clearly defined limits on overhead/administration costs should be specified in all future contracts for local community funding as agreed by the funding departments/agencies.

The alignment of local and community development programme planning and delivery along county/city council boundaries should reduce administrative burdens and result in a more effective use of public funds. As far as possible, administration budgets should be allocated on a cross-programme rather than an individual programme basis. Implementation of shared service arrangements between local development companies, and between local development companies and county/city councils, will reduce the structures and resources required to administer programmes, freeing up specialised resources for frontline service delivery and thus achieving greater value for money in the delivery of services for the citizen.

The establishment of the IDG at national level and the establishment of SECs at county/city level will make the system more coherent and should result in fewer bodies at local level. The role and functions assigned to the SEC should either reduce the need for State representation on the boards of a range of local development entities and/or allow the phasing out of certain structures.

6. Greater Effectiveness and Identification of Best Practice

Robust systems for impact measurement and assessment should be further developed to facilitate the planning and implementation of local and community development programmes and interventions. The content of programmes should reflect national priorities, including job creation, and be based on locally identified needs and appropriate targeting of resources to the most disadvantaged. Programme development, delivery and impact assessment should be supported by cross-government sharing of data and informed by best practice.

It is essential that available resources are targeted where they will have the greatest impact and in response to need. Accordingly, appropriate standardised cross-government, cross-programme systems should be developed to monitor and measure performance, assess the impact of interventions, and facilitate timely decision-making regarding the allocation of resources to those who need them most. The system developed for the LCDP should form the basis of a new standardised global impact assessment framework. The outcome of the forthcoming evaluation of the LCDP should be instructive in this regard. This process should be overseen by the IDG and led by DECLG. The new system and processes should be proportionate to resource provision, so as not to create an undue administrative burden.

It is also important that best practice is identified and used as a basis to ensure the delivery of the most effective service for the citizen. The needs of service users will differ across urban and rural areas and the identification and promotion of best practice should have regard to spatial differences and how they impact on service and delivery requirements. Minimum standards should be set and monitored on an ongoing basis, with the continued allocation of funds tied to performance. DECLG, with appropriate technical support, should have responsibility for setting standards, monitoring performance and providing technical assistance to local government and local development.

7. Capacity Building and Change Management

DECLG, in co-operation with the Inter-Departmental Group, should manage the change process arising from these recommendations and oversee a support and capacity building initiative across all relevant sectors to underpin their successful implementation. This should draw on all available resources including national and international guidance on best practice in building local capacity, developing an integrated approach to local development programmes and effective inter-agency working.

The change process should be carefully managed, centrally driven and adequately resourced. It is essential that there is ‘buy-in’ at political and government department level, as well as across local government, local development and among stakeholders and service users. In particular, the process should focus on enhancing collaborative and trust-based relationships with stakeholders in the local and community development sector.

Provision for capacity building, training and networking in the preparation and implementation of local development strategies, under the EU Regulations covering community-led local development for 2014-20, should be explored. The possibility of support under the OECD’s Co-operative Action Programme on Local Economic and Employment Development (LEED) should also be considered.

This programme aims to build local capacity to deliver results through integrated strategies, offers advice on area-based partnerships, and benchmarks the performance of local development agencies.

8. LEADER

The SEC structure should be considered as the vehicle through which the LEADER approach is implemented for the 2014-2020 round of EU programmes.

The Steering Group is satisfied that, appropriately structured and working in partnership with the local development companies, the SEC can be designed as the optimum structure for implementing the LEADER local development strategies, fully consistent with the relevant EU regulatory requirements. It will bring together, for the first time, an oversight and planning responsibility for Exchequer and EU co-funded local development activities and the range of community focussed actions of local authorities. It will also have the potential to extend this oversight to other local development programme activities, with the agreement of funding departments. It will have the capacity to contribute to the strategic planning and programming requirements arising from the Common Strategic Framework for EU regional, employment and social policy for 2014-20, whereby Member States may choose to combine ERDF, ESF and Cohesion Fund in ‘multi-fund’ programmes to improve coordination on the ground and achieve integrated development.

9. Phased Implementation

The alignment of the local government and local and community development sectors should be pursued on a phased basis over the period 2012-2014, in a way that will secure optimum value from available resources and enhance service delivery for local communities. It should provide for capacity building across both the local government and local development sectors, and should be implemented in a way that promotes a spirit of co-operation, trust and respect between the sectors.

It is proposed that the phased implementation should be progressed as follows:

Action	Responsible Bodies	Implementation Timescale
Map local and community development services within each county/city council area	Led by county/city councils with support of local development entities and Pobal	2012
Draft Alignment Implementation Plan	DECLG	2012
Draft Terms of Reference of Inter-Departmental Group and SEC	DECLG and other Government Departments	2012
Establish Inter-Departmental Group	DECLG	2012
Establish Socio-Economic Committees	DECLG and county/city councils	2013
Develop National Local and Community Development Policy	Inter-Departmental Group led by DECLG	2013
Develop Impact Assessment Framework	Inter-Departmental Group with appropriate technical support	2013
Devolve responsibility for planning and oversight to Socio-Economic Committees	DECLG and county/city councils	2013-14
Change Management and Capacity Building for county/city councils, local development companies and SECs	DECLG with support of key participants	2012-14

Appendix 1 – Steering Group Membership

The members of the Alignment Steering Group are –

- Mr. Jim Miley (Chair) - business strategy consultant and company director with extensive experience in both commercial and not-for-profit organisations;
- Dr. Patricia O'Hara – regional policy expert and Adjunct Professor at the National Institute for Regional Spatial Analysis (NIRSA) NUI Maynooth, with extensive experience of research and policy analysis on regional, rural and social issues;
- Mr. Liam Keane – extensive experience within the public service, including the HSE as South Regional Co-ordinator for Traveller Health and Homelessness, HSE South Specialist and National Planning Specialist for Social Inclusion and lead role in the HSE implementation of the National Drugs Strategy;
- Ms. Martina Moloney – career in a number of local authorities and currently Galway County Manager; formerly Director of Services in Galway City Council with responsibility for Corporate Services, community and enterprise;
- Mr. Gerry Kearney – former Secretary General of the Department of Community, Rural and Gaeltacht Affairs;
- Ms. Geraldine Tallon – currently Secretary General of the Department of the Environment, Community and Local Government.

Appendix 2 – Alignment Steering Group Approach and Methodology

The Steering Group for the Alignment of Local Government and Local Development was established by the Minister for the Environment, Community and Local Government, Mr. Phil Hogan T.D., in September 2011.

The Steering Group was given the following Terms of Reference:

- Review the role of Local Government in Local and Community Development;
- Review the role and contribution of Local and Community Development programmes in order to determine the scope for greater synergy with Local Government; and
- Make recommendations on how the alignment of Local Government and Local and Community Development should be progressed with a view to;
 - improving delivery of services for the citizen at a local level;
 - achieving greater efficiency and effectiveness; and
 - enhancing the role of local authorities in the delivery of Local and Community Development programmes and functions.

The Group met on 11 occasions between September 2011 and February 2012. At its initial meeting, it agreed an overall approach to its work and a work programme, with the aim of reporting to the Minister by early 2012.

The conclusions and recommendations of the Group are based on a detailed analysis of the local and community development sector, including the role played by local government within the sector, and consideration of the scope for greater alignment between local government and local development. The Group has reviewed information drawn from a number of sources, including responses to an extensive consultation process, presentations from key stakeholders and an examination of previous considerations of the alignment of local government and local development.

As part of the consultation process, submissions were invited from local development companies, local authorities (county/city managers and local elected representatives), Community and Voluntary Fora, Volunteer Centres and representative bodies for community and voluntary organisations. Submissions were also accepted from other interested bodies and stakeholders. A list of submissions received is included in Appendix 3.

The Steering Group produced an Interim Report in December 2011. That report set out the Group's preliminary considerations, outlined the Group's position on the need to revise the current arrangements for local and community development programme planning and oversight and presented a number of interim proposals on a way forward.

The Interim Report was followed by a comprehensive analysis of the consultation process and some final consultations with stakeholders. The review and consultation processes were completed in January 2012 and culminated in the submission of this Final Report to the Minister in March 2012.

Appendix 3 – List of Submissions Received

1. Age and Opportunity
2. Aging Well Network
3. Association of County and City Councillors
4. Association of Municipal Authorities of Ireland
5. Avondhu/Blackwater Partnership Limited
6. Ballyfermot/Chapelizod Partnership Company Limited
7. Ballyhoura Development Limited
8. Ballymun Partnership Limited
9. Blanchardstown Area Partnership Limited
10. Bluebell, Inchicore, Islandbridge, Kilmainham and Rialto Partnership Company Limited
11. Bray Area Partnership Limited
12. Breffni Integrated Limited
13. Carlow County Council
14. Carlow County Development Partnership Limited
15. Cavan Community Forum
16. Cavan County Council
17. Cill Dara Ar Aghaidh Teoranta
18. Clare Community Forum
19. Clare County Council
20. Clare Local Development Co. Ltd
21. Comhair Chathair Chorcaí Teo
22. Comhar na nOileáin Teo
23. Community Workers Cooperative
24. Cork County Council
25. County Kilkenny Leader Partnership Company Limited
26. County Sligo Leader Partnership Company Limited
27. County Wicklow Community Partnership
28. County and City Managers Assoc.
29. CPLN Area Partnership Limited
30. Disability Federation of Ireland
31. Dodder Valley Partnership Limited
32. Donegal County Council
33. Donegal Local Development Co. Ltd
34. Dublin City Council
35. Dun Laoghaire/Rathdown Co. Co.
36. Fingal County Council
37. Fingal Leader Partnership Co. Ltd.
38. Forum Connemara Limited
39. Galway City Council
40. Galway City Partnership Limited
41. Galway County Council
42. Galway Rural Development Company Limited
43. Inishowen Development Partnership
44. IRD Duhallow Limited
45. Irish Local Development Network
46. Irish National Community and Voluntary Fora
47. Irish Planning Institute
48. Kerry County Council
49. Kilkenny Community Forum
50. Kilkenny County Council
51. Laois Community and Enterprise Development Company Limited
52. Leitrim County Council
53. Leitrim Integrated Development Company Limited

54. Limerick City Council
55. Limerick County Council
56. Local Authorities Members Assoc.
57. Longford Community Resources Ltd.
58. Longford County Council
59. Louth County Council
60. Louth LEADER Partnership
61. Mayo North East Leader Partnership
Company Teo
62. Meath Community Rural and Social
Development Partnership Limited
63. Meath County Council
64. Monaghan County Council
65. Monaghan Integrated Development
Limited
66. Muintir na Tire
67. North and East Kerry Leader
Partnership Teoranta
68. North Tipperary County Council
69. Northside Partnership Limited
70. Offaly County Council
71. Offaly Integrated Local Development
Company Limited
72. People Action Against Unemployment
Limited
73. Rathmines Pembroke Community
Partnership Limited
74. Roscommon County Council
75. Roscommon Integrated Development
Company Limited
76. Sligo County Council
77. Sligo County Community Forum
78. Social Justice Ireland
79. South and East Cork Area
Development Partnership Limited
80. South Dublin County Council
81. South Kerry Development Partnership
Limited
82. South Tipperary County Council
83. South Tipperary Development Co. Ltd
84. South West Mayo Development
Company Limited
85. Southside Partnership DLR Ltd.
86. The Wheel
87. Volunteer Ireland
88. Waterford City Council
89. Waterford County Council
90. Waterford Leader Partnership Ltd.
91. West Cork Development Partnership
Limited
92. West Limerick Resources Limited
93. Western Development Commission
94. Westmeath Community Developments
Limited
95. Wexford County Council
96. Wexford Local Development
97. Wicklow County Council

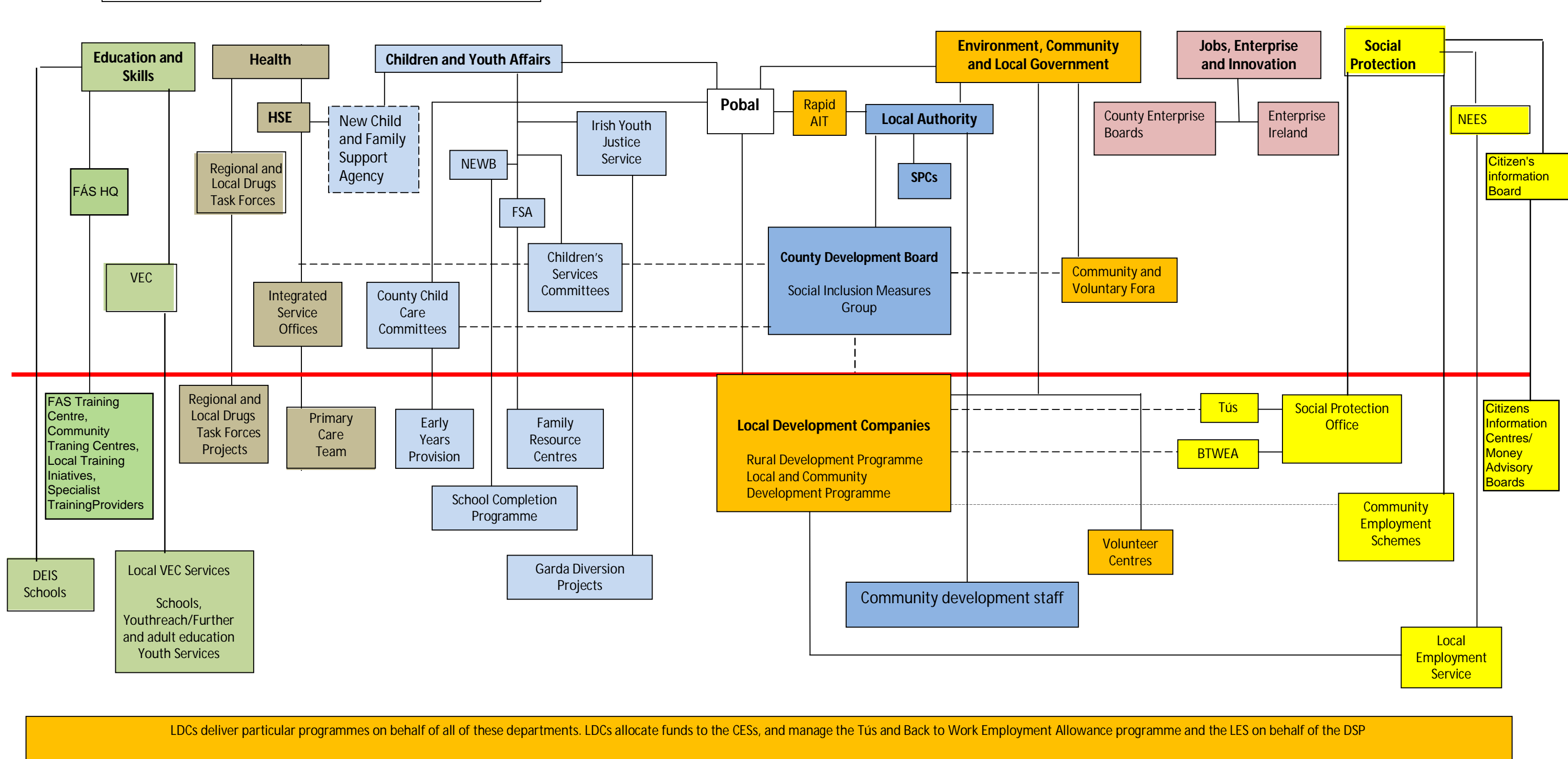
Appendix 4 – Alignment Steering Group Meetings with Stakeholders

The Alignment Steering Group met with the following stakeholders in the course of its deliberations:

- Association of County and City Councillors
- Association of Municipal Authorities of Ireland
- County and City Managers Association
- Irish Local Development Network
- Local Authorities Members Association
- Pobal

Appendix 5

Map of state funded local structures - 2012



The map shows reporting or funding (solid) and advisory or other (dash) lines, and whether mainly, although not exclusively, a strategic/advisory (above red line) or local delivery (below red line) role. Local Development Companies straddle the line.

Appendix 6 – Summary of funding under several key Local and Community Development Programmes

The table below details several of the key programmes implemented by local development companies with funding shown for the years 2009-12.

Programme	2009	2010	2011	2012 ⁸
Rural Development Programme LEADER (DECLG)	€20.9m	€44.3m	€47.5m	€96.8m
Local and Community Development Programme (DECLG)	€73.4m ⁹	€67.5m	€62.4m	€54.9m
Rural Recreation Schemes (DECLG)	€3.8m	€4.4m	€2.9m	€2.7m
Rural Social Scheme (Dept. of Social Protection)	€48.3m	€46m	€45.15m	€45.7m
Tús (Dept. of Social Protection (DSP))	n/a	n/a	€11.8m	€84m

A brief overview of some of the programmes and schemes delivered through local development bodies is outlined below.

Rural Development Programme 2007-2013– LEADER

DECLG is the Managing Authority for Axes 3 and 4 of the Rural Development Programme (also known as LEADER). These axes aim to improve the quality of life rural areas and encourage diversification of the rural economy. Funding is provided under the programme for a broad range of actions including *inter alia* support for micro-enterprises, improving access to basic services and facilities for rural dwellers, village enhancement works and maintenance of the natural and built heritage. It is delivered locally on behalf of the Department by 35 local development companies operating in the rural areas of Ireland.

In 2011, the LEADER implemented measures assisted 1,644 enterprises and supported 466 new tourism actions, resulting in the creation of 634 jobs. The programme also provided funding for the development and maintenance of some 660 community facilities.

⁸Amount allocated in 2012 Revised Estimates Volume

⁹Encompasses expenditure under the Local Development Social Inclusion Programme and the Community Development Programme, which were superseded by the Local and Community Development Programme in 2010

Local and Community Development Programme

The LCDP aims to tackle poverty and social exclusion through partnership and constructive engagement between government and its agencies and people in disadvantaged communities. It targets those furthest from access to education, training and employment, and those at highest risk of social exclusion. The programme is underpinned by 4 high level goals:

- promoting awareness, knowledge and uptake of a wide range of statutory, voluntary and community services;
- increasing access to formal and informal educational, recreational and cultural development activities and resources;
- increasing peoples' work readiness and employment prospects; and
- promoting engagement with policy, practice and decision-making processes on matters affecting local communities.

The day-to-day management of the programme is undertaken by the Pobal on behalf of DECLG. It is delivered by 51 local development companies and a small number of approved alternative delivery models.

In 2011, more than 8,000 persons progressed in labour market training and some 6,300 persons progressed into employment or self-employment as a result of LCDP interventions.

Rural Recreation – The Walks Scheme

The scheme aims to enhance and maintain key walking trails. It provides support to landholders who are contracted to work on a trail where it traverses their land. The scheme is administered by 12 local development companies on behalf of DECLG. The scheme also has funding arrangements in place with the local development companies for the employment of 12 rural recreation officers in areas with clusters of suitable walks.

Rural Social Scheme (RSS)

The aims of the RSS are to provide income support for farmers and fisherpersons who are currently in receipt of specified Social Welfare payments, and to provide certain services of benefit to rural communities. It allows low-income farmers/fisherpersons who are unable to earn an adequate living from their farm holding/fishing, to earn a supplementary income.

While responsibility for the operation of the RSS rests with DSP, it is managed at a local level, on behalf of that Department, by 35 local development companies in rural areas and in the Gaeltacht by Údarás na Gaeltachta. There are approx. 2,600 participants on the scheme.

Tús

Tús is a community based labour market activation scheme that provides short-term work placement opportunities for unemployed people to the benefit of both urban and rural communities. Scheme participants will be linked with other local development company services to maximise the potential benefit of their participation on the scheme.

This programme commenced in 2011 and it is delivered on behalf of DSP by 51 local development companies. There are currently 2,875 participants on the scheme and there is scope to increase this to 5,000 in 2012.

Community Services Programme (CSP)

The CSP is designed to address locally identified gaps in the provision of services to communities and to exploit the potential of community assets and resources already in place in support of the delivery of services to improve community well-being. It also provides employment opportunities for people from specific target groups, including people with disabilities, travellers, recovering drug users, long-term unemployed and lone parents.

The programme is managed by DSP and currently supports some 450 projects and provides a contribution to the salaries of approx. 2,700 persons. Currently, 14 social enterprises are delivered by local development companies under the CSP.

Rural Transport Programme (RTP)

The RTP provides funding for the development of innovative, community-based transport services in rural areas in order to address social exclusion issues caused by lack of transport. The RTP works with local communities to plan and deliver flexible transport services that meet the needs of the community. The programme is delivered nationally, on behalf of the Department of Transport, Tourism and Sport, by 35 not-for-profit community groups, including some of the rural based local development companies.

Volunteer Centres/Volunteering Initiatives

The scheme of Supports for Volunteering, managed by DECLG, provides a contribution towards the running costs of 22 volunteer centres established to promote and develop volunteering throughout Ireland. Some centres also receive a funding contribution/support from

their respective local authorities, while local development companies are required to set aside 1% of their LCDP allocations to fund volunteering related actions. Funding is also provided under the programme to eight organisations committed to furthering the volunteering agenda and whose work contains a corporate social responsibility agenda.

Community and Voluntary Fora

DECLG provides funding to Community and Voluntary Fora. Fora have been established in each county and city and provide an important input to the work of local authorities, particularly in the context of their membership of local authority structures, such as the Strategic Policy Committees, Joint Policing Committees and County/City Development Boards.

Warmer Homes Scheme

The scheme aims to improve the energy efficiency and comfort conditions of homes occupied by low-income households, and to establish the systems and growing the capacity in Ireland to install such measures. The approach is founded on a social employment delivery model – this model engages regional community based organisations to acquire and apply the skills to carry out the work – which includes attic insulation, draught proofing, lagging jackets, energy efficient lighting, cavity wall insulation and energy advice.

Community Employment Scheme (CE Scheme) and Jobs Initiative (JI)

The CE Scheme provides part-time employment to long-term unemployed people and also delivers services to communities through local community and voluntary groups in both rural and urban and rural areas. JI participants, long-term unemployed over 35-years, are also placed with community and voluntary organisations to enable them to develop new skill sets with a view to re-integration into the labour market. A small number of local development companies operate CE and JI schemes.

Family Resource Centres

The Family Support Agency core funds 107 Family Resource Centres in local communities around Ireland, as part of the Family and Community Services Resource Centre (FRC) Programme. The aim of the FRC programme is to combat disadvantage and improve the function of the family unit. The emphasis is on the involvement of local communities in developing approaches to tackle the problems they face and on creating successful partnerships between the voluntary and statutory agencies in each area. Family Resource Centres involve people from marginalised groups and areas of disadvantage at all levels of the project. They

provide services for lone parents, young mothers and others considered in need of support. Each FRC is different and responds to the individual needs of the local community.

Appendix 7 – Local Development Companies

- 1. Avondhu/Blackwater Integrated Local Development**
Implements LCDP and RDP in North Cork and Blackwater Valley
- 2. Ballyfermot/Chapelizod Partnership**
Implements LCDP in areas including Ballyfermot, Chapelizod, Cherry Orchard, Clondalkin, Inchicore, Kilmainham and Palmerstown
- 3. Ballyhoura Community Partnership**
Implements LCDP in South and East limerick and North East Cork, excl. Mallow for RDP
- 4. Ballymun/Whitehall Area Partnership Ltd.**
Implements LCDP in areas including Ballymun and Whitehall
- 5. Blanchardstown Area Partnership**
Implements LCDP in areas including Ashtown, Blanchardstown, Castleknock, Finglas and Lucan
- 6. Bray Area Partnership**
Implements LCDP in Bray
- 7. Breffni Integrated Development Ltd.**
Implements LCDP and RDP in County Cavan, excl. Cavan Town for RDP
- 8. Bluebell, Inchicore, Islandbridge, Kilmainham and Rialto Partnership**
Implements LCDP in areas including Bluebell, Inchicore, Kilmainham and Rialto
- 9. Carlow County Development Partnership Limited**
Implements LCDP and RDP in County Carlow
- 10. Cill Dara Ar Aghaidh Teo**
Implements LCDP and RDP in County Kildare
- 11. Clare Local Development Company**
Implements LCDP and RDP in County Clare, excl. Ennis Town for RDP
- 12. CPLN Area Partnership**
Implements LCDP in areas including Clondalkin, Lucan, Palmerstown and South County Dublin
- 13. Comhair Chathair Chorcaí**
Implements LCDP in Cork City
- 14. Comhar na nOileáin Teo**
Implements LCDP and RDP on Offshore Islands in Cork, Donegal, Galway, Kerry, and Mayo
- 15. Co. Kilkenny Leader Partnership Co. Ltd.**
Implements LCDP and RDP in County Kilkenny, excl. Kilkenny City for RDP
- 16. County Wicklow Partnership**
Implements LCDP and RDP in County Wicklow, excl. Bray
- 17. Dodder Valley Partnership**
Implements LCDP in areas including Churchtown, Rathfarnham, Tallaght, and Templeogue
- 18. Donegal Local Development Company**
Implements LCDP and RDP in County Donegal excl. Inishowen and Gaeltacht areas of the county and excl. Letterkenny Town for RDP

- 19. Fingal Leader Partnership**
Implements RDP in rural areas of North County Dublin and the LCDP in areas including Balbriggan, Portmarnock, Malahide, Rush, Skerries and Swords
- 20. Forum Connemara**
Implements LCDP and RDP in non-Gaeltacht areas Connemara
- 21. Galway City Partnership**
Implements LCDP in Galway City
- 22. Galway Rural Development Company**
Implements LCDP and RDP in rural areas east of Corrib to county boundaries, excl. Tuam for RDP
- 23. Inishowen Development Partnership**
Implements LCDP and RDP in Inishowen Peninsula area of County Donegal
- 24. IRD Duhallow Ltd.**
Implements LCDP and RDP in North West Cork and South East Kerry
- 25. Laois Partnership Company**
Implements LCDP and RDP in County Laois
- 26. Leitrim Integrated Development Co. Ltd**
Implements LCDP and RDP in County Leitrim
- 27. Longford Community Resources Ltd.**
Implements LCDP and RDP in County Longford
- 28. Louth LEADER Partnership**
Implements LCDP and RDP in Co. Louth, excl. Dundalk Town for RDP
- 29. Mayo North East Leader**
Implements LCDP and RDP in North and East Mayo, excl. Gaeltacht areas and excl. Ballina Town for RDP
- 30. Meath Community Rural and Social Development Partnership Ltd**
Implements LCDP and RDP in County Meath, excl. Gaeltacht areas
- 31. Monaghan Integrated Development Company**
Implements LCDP and RDP in County Monaghan, excl. Monaghan Town for RDP
- 32. North and East Kerry Leader Partnership Teo**
Implements LCDP and RDP in North and East Kerry, excl. Tralee Town for RDP
- 33. North Tipperary LEADER Partnership**
Implements LCDP and RDP in North Tipperary
- 34. Northside Partnership**
Implements LCDP in areas including Beaumont, Clontarf, Grange, Priorswood, Raheny and Whitehall
- 35. Offaly Integrated Local Development Company Ltd**
Implements LCDP and RDP in County Offaly, excl. Tullamore Town for RDP
- 36. PAUL Partnership Limerick**
Implements LCDP in Limerick City
- 37. Rathmines Pembroke Community Partnership**
Implements LCDP in areas including Crumlin, Kimmage, Pembroke, Rathmines, Terenure and Walkinstown
- 38. Roscommon Integrated Development Company**
Implements LCDP and RDP in County Roscommon, excl. Athlone Town

39. South and East Cork Area

Development

Implements LCDP and RDP in the area to the South and East of Cork City, excl. Cork City

40. County Sligo Leader Partnership

Company

Implements LCDP and RDP in County Sligo, excl. Sligo Town for RDP

41. South Kerry Development Partnership

Implements LCDP and RDP in South and East Kerry, excl. Gaeltacht areas and excl. Killarney Town for RDP

42. South Tipperary Development

Company

Implements LCDP and RDP in South Tipperary

43. South West Mayo Development

Implements LCDP and RDP in South and West Mayo, excl. Castlebar for RDP

44. Southside Partnership

Implements LCDP in areas including Blackrock, Cabinteely, Clonskeagh, Dun Laoghaire, Shankill and Stillorgan

45. Tolka Area Partnership

Implements LCDP in areas including Aaron Quay, Ballygall, Cabra, and Finglas

46. Waterford Area Partnership

Implements LCDP in Waterford City

47. Waterford Leader Partnership Ltd.

Implements LCDP and RDP in County Waterford, excl. Waterford City and Gaeltacht areas

48. West Cork Development Partnership Ltd.

Implements LCDP and RDP in West Cork and Lee Valley, excl. Gaeltacht areas

49. West Limerick Resources Limited

Implements LCDP and RDP in West Limerick, excl. Limerick City

50. Westmeath Community Development

Implements LCDP and RDP in Co. Westmeath, excl. Athlone and Mullingar for RDP

51. Wexford Local Development

Implements LCDP and RDP in County Wexford, excl. Wexford Town

Appendix 8 – County/City Councils

- | | |
|-----------------------------------|------------------------------------|
| 1. Carlow County Council | 18. Limerick County Council |
| 2. Cavan County Council | 19. Longford County Council |
| 3. Clare County Council | 20. Louth County Council |
| 4. Cork City Council | 21. Mayo County Council |
| 5. Cork County Council | 22. Meath County Council |
| 6. Donegal County Council | 23. Monaghan County Council |
| 7. Dublin City Council | 24. North Tipperary County Council |
| 8. Dún Laoghaire-Rathdown Co. Co. | 25. Offaly County Council |
| 9. Fingal County Council | 26. Roscommon County Council |
| 10. Galway County Council | 27. Sligo County Council |
| 11. Galway City Council | 28. South Dublin County Council |
| 12. Kerry County Council | 29. South Tipperary County Council |
| 13. Kildare County Council | 30. Waterford City Council |
| 14. Kilkenny County Council | 31. Waterford County Council |
| 15. Laois County Council | 32. Westmeath County Council |
| 16. Leitrim County Council | 33. Wexford County Council |
| 17. Limerick City Council | 34. Wicklow County Council |

Appendix 9 – Other Local Development Bodies

The following is a list of local development bodies, other than the 51 local development companies, that are consistently referenced in this report.

1. Groups of special interest directly funded under the Local Community Development Programme (33 Groups)
2. County/City Enterprise Boards (35 Boards – to be replaced by Local Enterprise Offices)
3. National Community and Voluntary Organisations funded by DECLG under the Scheme to Support National Organisations 2011-2013 (64 Organisations)
4. Community and Voluntary Fora (34 Fora)
5. Volunteer Centres (22 Centres)
6. RAPID Area Implementation Teams (52 AITs)
7. Senior Traveller Training Centres (29 Centres)
8. Vocational Education Committees (32 VECs)
9. Local Drugs Task Forces (14 Task Forces)
10. Regional Drugs Task Forces (10 Task Forces)
11. City and County Childcare Committees (33 Committees)
12. Family Resource Centres (107 FRCs)
13. School Business Partnership/Teenage Parenting Support Projects (9 Projects)
14. Community Training Centres (38 Centres)

Appendix 10– Interim Report of the Local Government/Local Development Alignment Steering Group (December 2011)

1. Introduction

The Steering Group for the Alignment of Local Government and Local Development was established by Phil Hogan T.D., Minister for the Environment, Community and Local Government, in September 2011.

The Steering Group's Terms of Reference are:

- Review the role of Local Government in Local and Community Development;
- Review the role and contribution of Local and Community Development programmes in order to determine the scope for greater synergy with Local Government; and
- Make recommendations on how the alignment of Local Government and Local and Community Development should be progressed with a view to: –
 - a. improving delivery of services for the citizen at a local level;
 - b. achieving greater efficiency and effectiveness; and
 - c. enhancing the role of local authorities in the delivery of Local and Community Development programmes and functions.

1.1 Guiding Principles

The work of the Steering Group is guided by the principles that currently underpin local and community development including retaining a developmental “bottom-up” approach as an integral feature of local and community development. Communities and the marginalised within those communities should continue to be involved, with the opportunity to influence and shape local decisions; this approach has a proven record in stimulating and recognising voluntary activity.

The Steering Group recognises the value of the range of local and community development programmes and supports funded by the Department of Environment, Community and Local Government, to support sustainable communities through social and economic development. The provision of training and education opportunities, and supports for enterprise and employment creation, are key elements in this regard. The Steering Group believes that the

continued vitality of the community and voluntary sector is also centrally important to the development of an equitable and pluralist society.

At the same time, the Group recognises the strength, experience and democratic legitimacy of local government, and in particular, its proven capacity to work in effective partnerships with local development groups. The Steering Group recognises the constitutional role of local government as a forum for the democratic representation of local communities and promoting the interests of such communities.

The Steering Group recognises the importance of building upon the strengths and experiences of both the local government and local development systems and of strengthening a partnership approach which can facilitate multi-agency activity and greater synergy in delivering effective services to communities.

1.2 Work of the Steering Group

This Interim Report presents the preliminary considerations and orientations of the Steering Group at the end of November 2011 and outlines the Group's initial findings, based on its terms of reference. The preliminary considerations have included a review of the role of local government in local and community development, a review of the role and contribution of the local and community development programmes, and an initial assessment of the scope for greater alignment between local government and local development.

The Steering Group has reviewed information drawn from a number of sources and received presentations from key stakeholders, including the Irish Local Development Network (representative body of the local development companies), the City and County Managers Association and Pobal. An extensive consultation process with key stakeholders has commenced – including the local development companies, local authorities (city/county managers and local elected representatives), the Community and Voluntary Fora, Volunteer Centres, representative bodies for community and voluntary organisations, and service users.

The work of the Steering Group is not sufficiently advanced at this stage to make final recommendations vis-à-vis achieving greater alignment between local government and local development. In *Section 4* the Group's position on the need to change the current arrangements for local development and interim proposals on a way forward are outlined. Final findings and recommendations will be presented to the Minister in early 2012.

1.3 Scope of the Alignment Process

The Department of Environment, Community and Local Government (DECLG) has responsibility for a broad range of community programmes and supports, including:

- Local and Community Development Programme (LCDP);
- The Rural Development Programme (Ireland) 2007 – 2013 (RDP);
- National Rural Development Programmes; and
- Community and Voluntary Policy and Supports.

It is also recognised that the local and community development sector is broader than the remit of DECLG and its relationship with the local development companies and community and voluntary organisations; the sector also encompasses a wider range of structures, local delivery bodies and local and community development initiatives.

Notwithstanding this, the primary focus of the Steering Group at this stage is on the local development companies and the two key programmes (LCDP and RDP) delivered by these companies on behalf of DECLG. As the process develops, the Steering Group may suggest consideration of other programmes and delivery structures that operate in the local and community development landscape.

2. The role of local government in local and community development

2.1 Role of Local Government

The State recognises the role of local government in providing a forum for the democratic representation of local communities, promoting their interests and exercising statutory powers at local level. The principal services of local authorities are divided among eight programme headings: housing and building; road transportation and safety; water supply and sewerage; development incentives and controls (planning); environmental protection; recreation and amenities; agriculture, education, health and welfare and miscellaneous services. It is often perceived that local government activity and services are confined to infrastructure provision and the enforcement of regulations. In reality however, local authorities also have a long history of involvement in community initiatives and service provision at local level including social housing, leisure, recreation, arts and amenity facilities and services, as well as estate management, urban and village renewal, tidy towns, 'pride of place' and the operation of community employment schemes. These are important and rich interventions that can help build social capital and they are a fundamental part of the role of local government. Local authorities are the main sub-national, democratically-based bodies and have a statutory responsibility for local development.

In the past decade, local government has embraced an enhanced role in local, community and enterprise development, as well as a multi-disciplinary strategic planning role. The 1996 White Paper on Local Government Reform, known as Better Local Government (BLG), outlined an expanded role for local authorities in the local, community and enterprise arenas as well as the creation of more participative structures and processes as part of the agenda to improve local democracy, including community representation and participation in decision making and service delivery.

The Local Government Act 2001 provides a modern legal framework for local government, covering its civic leadership for the community and its responsibility to take such action as it considers necessary/desirable to promote the community interest, having regard to the need to promote social inclusion. The role of local government as focus for leading development and delivering public services at local level, especially in the current climate when efficiency is a priority, has also been emphasised in Transforming Public Services (2008), the McCarthy Report (2009) and the Programme for Government (2011).

2.2 Promotion of the Interests of Local Communities

The new structures and initiatives referred to above, that came about following BLG, included Strategic Policy Committees (SPCs), City/County Development Boards (CDBs), Community and Voluntary Fora, Business Support Units and Directorates of Community and Enterprise in local authorities. Over the past ten years, local authorities have worked closely with the local and community development sector and other stakeholders, playing a lead role in co-ordinating the delivery and integration of services at local level through the CDBs – *see Section 2.3 on CDBs*.

Local authorities also deliver initiatives that address poverty and social exclusion, examples being local government anti-poverty strategies, social inclusion units, RAPID, social inclusion measures working groups (SIMS), sports partnerships and PEACE Programme activities (in the border counties). Consequently, local authorities have built capacity and expertise in the delivery of these community-oriented actions.

Given the primary role of local government in leading development and delivering public services, it is significant, however, that a broad range of interventions are being delivered on a localised basis by the local development sector, outside the ambit of local government with little accountability to local democratic structures.

While the crucial role of local government in community and enterprise development is recognised, there are however, cultural, legislative and historical factors that have resulted in the majority of local development programme activity based on the ‘bottom up’ approach residing outside the local government system in a separate set of independent structures (*see Section 3.1 below on the origins of local development*). The developmental “bottom-up” approach of the local development companies aims to enable participation by citizens in the design, planning and execution of interventions at local level. While such an approach has not traditionally been the hallmark of local government, it is recognised that the local area planning process carried out by local authorities has been implemented using a community, bottom-up approach in some instances. Furthermore, as referenced above, Local Authorities support the county-wide Community and Voluntary Fora and the establishment of the Directorates of Community and Enterprise mean that additional expertise now resides in Local Authorities in the area of community development. However, it will be necessary to further develop the expertise/technical capacity and embed the developmental “bottom-up” approach within local government.

2.3 County Development Boards

The Steering Group notes that the primary formal interface between the local government and local and community sector are the City/County Development Boards (CDBs). They were established to provide an integrated planning framework for each county/city in terms of its economic, social and cultural development, as well as supporting the co-ordination of publicly funded services at local level. The CDBs are led and supported by the local authorities and are responsible for co-ordinating and integrating local service delivery including across the local development sector. They provide key local, regional and national agencies and the social partners with a means to engage in joint planning and policy development. The CDB ten-year strategies (2002-12) were prepared following two year's extensive community and stakeholder consultations. While much was achieved - as identified in the Fitzpatrick Associates/ERM Ireland Ltd Review of CDB Strategies - there were limitations and variation in terms of effectiveness and impact. The CDB structures are significant in that they provide the only inter-agency, strategic planning and delivery framework at local level. It is noted by the Steering Group that the OECD Public Management Review in 2008 considered integrated service delivery as critical to ensuring better outcomes for clients and citizens.

A closer engagement between local authorities and local development companies has been achieved through representation by these bodies on the CDBs and vice versa, as well as participation of the local development companies on CDB sub-groups. Indeed, the 2008 Indecon Review of the CDBs acknowledged, in particular, the good progress made by the Social Inclusion Measures sub-groups and their effectiveness in co-ordinating social inclusion measures at a local level.*

The limitations of the CDBs also need to be recognised and there is evidence of local variation in terms of the effectiveness and impact. The Indecon review pointed out that the relationship between local authorities and local development companies through the CDBs can vary from 'collaboration to competition'. Impact can depend very much on the drive and commitment of representatives of agencies and groups who sit on the CDB together with, the capacity, commitment and resource availability of the Community and Enterprise Directorate within the local authority. With limited executive powers, CDBs can invest considerable energy and focus in the development of city/county ten-year strategies, but they have no power to compel implementation of actions under those strategies or impose sanctions where local operational plans are not consistent with the strategies.

* *Indecon Review of County/City Development Board Strategic Reviews and Proposals for Strengthening and Developing the Boards, January 2008*

The effectiveness of the CDB structure can also be limited by the withdrawal or non-attendance of State agency and central government representatives, which has been a feature of most CDBs in the recent past. Moreover, it is perceived at local level that insufficient regard is given by national agencies to local city/county strategies and that local vision is not taken into account when central government is formulating policy in respect of national priorities. This is a key issue for national agencies who sit on CDBs in that they are asked to implement prescribed national strategies and programmes, while at the same time they are asked to adopt a flexible local approach required for the CDBs to function. This undermines the work of the CDBs and contributes to poor attendance by some national agencies.

The broad scale of representation on the CDB is also cited as a weakness of the structure. The Indecon review pointed out that having the same personnel involved at board level in both the CDB and local development company can result in duplication, a dilution of interest for board members and raises doubts about effectiveness. The limitations of CDBs present critical dilemmas not only for local service deliverers, but more fundamentally for central government in aligning its national policies and implementation mechanisms with local delivery structures.

In relation to strategic and planning oversight and the endorsement of local development company social inclusion plans, the Indecon review pointed out the need to ensure that these were meaningful exercises. There is concern that insufficient consideration is given to these plans by the CDBs due in some instances to the plans having already been approved for funding in advance of presentation to the CDBs or from the limited time and opportunity available at CDB level to examine them. A more meaningful outcome could be delivered by a direct link between the endorsement process and annual funding allocation for local development companies.

3. Role and contribution of local and community development programmes

3.1 Origins of Local Development Companies and Programmes

The origins of Ireland's local and community development programmes are rooted in the policy responses to some of the social and economic challenges which confronted the State in the 1980s, including increasing unemployment and poverty, deepening inequalities, and greater concentrations of deprivation.

The absence of effective, 'bottom up' integrated and partnership-based interventions was seen as a barrier to progress; centralised decision-making did not encourage participation by communities or include a local dimension in the decision-making process. There was no overall State policy for community development and no consistent stream of State funding for such activity.

EU and International Influences

The focus on partnership between statutory and community sectors and the development of integrated approaches started to emerge nationally and internationally in the late 1980s. At EU level, integrated development was identified as the key approach to addressing the growing concern that economic growth was not evenly spread, that concentrations of deprivation were developing, and in the rural context, that the Common Agricultural Policy was not equipped to address growing inequalities. Increasingly, the EC insisted on this approach as a way forward for the disbursement of Structural funds. This integrated approach involved the development of area based projects which brought together the relevant statutory, voluntary, private and community groups in joint partnership to plan, manage and implement actions for their areas using a 'bottom up' rather than 'top down' approach.

Integrated Development – Growth of Community Groups and Programmes

Four initiatives laid the foundation for an integrated community development approach and the development of local development companies and programmes in Ireland. These initiatives saw a shift over time from localised, sectoral interventions to programmes deployed on a much wider scale.

- i. The EU co-funded **Poverty 3 Programme** funded three local development projects over the period 1989 – 1994 and built on two previous EC anti-poverty projects.
- ii. The **LEADER Community Initiative** (1991-1993), also co-funded by the EU, provided funding to 16 local development agencies/companies to enable rural groups to implement multi-sectoral, coherent, integrated business plans for their areas. Successive LEADER

programmes saw an increase in the number of LEADER Groups to 38 over the period 1994 – 2006.

- iii. In the national context, the Programme for Economic and Social Progress (PESP) provided for the establishment of 12 **Area Based Partnerships** (APBs) in areas of high socio-economic disadvantage. The partnerships were established a response to long term unemployment and operated initially over the period 1991 – 1994. The introduction of various programmes up to the Local Development Social Inclusion Programme (2000 – 2006) saw the number partnership bodies increase to more than 60 by 2004.
- iv. The **Community Development Programme** (CDP), initiated by the Department of Social Welfare in 1990, was the first mainstream, State funded community development initiative aimed at tackling poverty and disadvantage. Its origins were in the 2nd EC Anti-Poverty Programme and it initially funded 15 community projects, increasing to some 40 projects by end-1993. By end-2008 the number of groups funded under the programme peaked at 185.

Cohesion and Integration Processes

In 2004 the Government, concerned at the proliferation of locally based groups and at the lack of spatial coherence in their areas of operation, embarked on a process of cohesion relating to local and community development. It resulted in the merging of Partnership and LEADER companies into single, mainly county-based entities, reducing their number from 94 to 52. The aim of the process was to ensure an integrated approach to service delivery of local and community development programmes and to improve democratic legitimacy, public accountability, governance, statutory agency participation, social partnership and local involvement. As part of this process, the Government agreed arrangements in 2007 to ensure full nationwide coverage by local development companies and the 52 companies currently operating in the local and community development sector structures emerged from that process. A further phase of this work focused on integrating some 140 community development projects into the local development companies. Some 15 alternative delivery structures operate within the LCDP but outside the 52 LDCs on a specialised basis.

3.2 Scale and Complexity of Local and Development Landscape

In addition to the 52 local development companies under contract to DECLG and the 15 alternative delivery structures of the LCDP, there is a range of other bodies implementing various local and community development actions. As a result, the local and community development landscape now comprises a complex, multiplicity of programmes and bodies. The services delivered to citizens and communities by these bodies – such as local development companies, City and County Enterprise Boards, Family Resource Centres, drugs task forces,

etc. – include *inter alia* social inclusion interventions, training, employment activation measures, and business mentoring, advice and support services.

The funding model of these local development bodies, and the programmes they deliver, suggests a complex set of relationships with Government Departments and other State bodies, by whom they are funded and to whom they report. Some organisations have been established to deliver on a singular policy objective and, consequently, only receive funding from one public source (Exchequer or EU). In many instances, however, organisations deliver on a number of policy objectives for the State and receive funding from as many public sources.

A diagrammatic representation of the local development landscape is at Appendix 1 – the chart does not claim to represent a complete picture of the local development sector, however, it is clearly illustrative of the scale and complexity of the structures and relationships in a number of key areas.

3.3 LEADER Approach

The LEADER approach is important in how it has contributed to the current local development structure and, furthermore, it is currently a very significant funding stream to many local development companies. LEADER ('Liaison Entre Actions de Développement de l'Économie Rurale', meaning 'Links between the rural economy and development actions') is a local development method which allows local actors to develop an area by using its endogenous development potential. Under the 2007-13 Rural Development Programme Ireland (RDP), all 'outside the farm gate' funding is implemented via 36 local development companies (which are a subset of the 52 local development companies referred to earlier). This is different to the approach followed by most other EU Member States; in the main they implement such actions via a combination of local groups and Local Authorities/statutory agencies. Under current EU rules, a minimum proportion of the overall Rural Development Programme (RDP) allocation must be delivered Local Action Groups (LAGs) and this provision is likely to be retained for the next programming round. Therefore, depending on overall government priorities for the RDP 2014-20 and the division of funding between the various programme measures, there could be scope to deliver a greater proportion of 'outside the farm-gate' actions directly through central and local government structures, whilst also allocating funding for LEADER implementation.

3.4 Strengths of local development companies and programmes

The local development companies are rooted in their communities; they have a proven track record of leading social inclusion and local and community development initiatives and in

delivering effective solutions to local needs. They have significant local knowledge and expertise in service planning and delivery.

Local development companies' involvement in the very broad range of local and community development interventions puts them in a position to deliver co-ordinated, integrated and joined-up solutions to meet the needs of their local communities. In this regard, they represent a key forum through which public bodies and other stakeholders can act within an integrated space. Moreover, their use of a bottom-up approach means that they are in a position to harness locally-based skills, encourage volunteering and liaise with local organisations. To some extent, they can operate outside the bureaucratic strictures, adding to their flexibility.

The focus on bottom-up delivery of local and community development interventions has developed their capacity to consult and engage effectively with target groups in planning, programme development and in preparing socio-economic plans at sub-county level. This approach can differ from that of the local authority-led local area planning process where the focus is more on spatial planning.

3.5 Limitations of the local development company model

The complexity of the local development landscape and the multiple funding and reporting relationships involved, create an administrative burden on local development companies and raise questions about duplication and overlap. There are also questions as to whether the existing arrangements lend themselves to joined-up, integrated service delivery and ease of access for the service user.

Disjointed Approach by the State

These structures have developed organically as a result of a disjointed approach by the State in the delivery of local/community development interventions. The model supported by the State at central level therefore perpetuates high overhead and administration costs. Given the complexity of the structures and the many public funding sources involved, the Steering Group considers that it may be necessary over time to examine the full breadth of programmes and structures in order to advance alignment of local government and local development in a more comprehensive and meaningful manner.

Rationalisation through the Cohesion Process

The significant rationalisation in structures in the local development sector between 2004 and 2008 as a result of the Cohesion Process did result in the reduction of delivery structures. The effectiveness of the process in yielding significant cost savings to the State, however, has yet to

be quantified. Moreover, local development companies perform their own back office functions in respect of administration, payroll and personnel functions, with these costs met primarily through public funds. There is little meaningful sharing of services with other similar bodies or public services providers, although there is some evidence of a limited number of companies providing a shared service function for local community and voluntary groups. These administration functions carry significant costs and can divert resources from frontline services.

Administrative Costs

The work of the Steering group identified some €227m delivered in 2011 through local development companies on programmes/schemes on behalf of the State. Four core programmes account for some €186m (or 81%) of the overall amount.* The cost to the State of administering these four programmes in 2011 will be in the region of €35m. An analysis of available data suggests that a significant proportion - some €71m (or 31%) of the overall amount allocated - is expended on employment costs for some 1,943 employees.

An analysis on the cost effectiveness of the LCDP by Mazars in November, 2010, examined indicators from the 52 local development companies and found that in relative terms, the levels of administration costs within local development companies (i.e. costs not allocated to programmes and projects) are high, at between 30% and 45%. Mazars recommended that administration costs should be set at 25% in line with other small businesses.

Input of Local Government

Under the current arrangements and structures, there is a clear gap in accountability to the democratically mandated local government structures, where local development companies operate independently. This is notwithstanding the role Councillors and local authority officials play on the boards of these companies and the shared involvement of all in the CBD structure. Ultimately, local authorities have little input into strategy or decision-making in relation to programmes and interventions delivered by local development companies.

Board Memberships and Service Fatigue

The burden imposed upon organisations and individuals through participation on boards and various consultative structures also has a considerable cost, both in terms of resources to organisations and service fatigue. This has been highlighted in the *Department of Finance paper (2009) 'Local Delivery Structure'* which cited the example of FÁS who estimated that it had representatives on some 1,000 Committees, Partnership Boards, CDBs, etc., with many

* RDP €62m, LCDP €63M, Rural Social Scheme €46m, and Tús €15m

boards meeting 8-10 times per year. Given the number of boards, the number of State Agencies represented on the boards and the frequency of meetings, there is a significant hidden cost involved in their operation.

Variations in Quality and Impact

It has been highlighted to the Steering Group that there can be variations across the country in the quality of interventions implemented by local development companies and the impact of those interventions. Evaluation of available data, particularly in the context of the LCDP, highlights good work by some companies. However, this has not been replicated nationwide and it has been difficult to date to impose a consistent standard across all local development companies. A new monitoring and evaluation framework is in place for the LCDP and while it provides the architecture through which meaningful data on outputs, outcomes and impacts can be gathered, questions regarding the quality of data gathered by the local development companies still remain. This is further compounded by the multiplicity of structures which can lead to ineffective and inconsistent monitoring and reporting on outputs across the range of programmes/schemes managed by the companies.

Oversight Role

The Steering Group believes there is need for a strong national oversight role to enable consistency of standards and approaches across the country in the provision of good quality services to citizens and communities. This would seek to address the variations in performance that are problematic in the delivery of work by both CDBs and local development companies. Currently there are various roles at national level in the oversight/quality control of programmes implemented by the local development companies. In respect of the RDP and LCDP, these roles are currently performed by DECLG and Pobal respectively. Currently Pobal manages the LCDP on behalf of DECLG and provides a wide range of services in this context, including programme planning and design, appraisal, contract management, risk audit and programme audit, etc.

Improved Service Planning

The Steering Group is conscious of the real difficulty in balancing some of the inherent tensions in structures and modes of delivery of services and in the relationship between local government and local development. These include, *inter alia*:

- managing the relationship between ‘top down’ programmes based on national government priorities and budget lines, and the ‘bottom up’ approach involving participation and decision-making at local level;

- responding effectively to the needs of disadvantaged citizens, while achieving improved and more efficient service delivery; and
- accommodating the enforcement role of national and local authorities alongside the commitment to empowerment in the local development approach.

The Group stresses the importance of prioritising the goal of improved service planning and delivery to citizens at local level so that it is not lost sight of in any new arrangements for better alignment.

4. Towards Achieving More Efficient and Effective Delivery of Services for Citizens and Communities

The Steering Group has now completed the first phase of its work and, in this interim report to the Minister, has reached some conclusions on the existing arrangements vis-à-vis the respective roles of local authorities and the local and community development sector in the provision of local and community development services. In reaching these initial conclusions, the Steering Group is mindful of the following important factors and core guiding principles:

- The absolute requirement to ensure that services are delivered to optimum standards and targeted at those who need them most;
- The importance of a strong community ethos and meaningful engagement by local community groups in the provision of services;
- The need for democratic accountability by structures and bodies who deliver the services;
- The necessity of having due regard to the regulatory framework and, in particular, the requirements for compliance with the EU co-funded Rural Development Programme and any changes that may arise in the 2014 – 2020 revised Programme; and
- The need for accountability and integrated oversight of the local disbursement of public funds.

Why Change?

It is evident that the existing arrangements for local development are administratively burdensome and do not lend themselves to joined-up, integrated service delivery. They have evolved from the requirements of EU and government programmes and are the result of a disjointed national approach to local service delivery. Moreover, central government, by establishing multiple structures for service delivery at local level has, to a large extent, by-passed local government and undermined the democratic process at local level. Thus, many public services are delivered locally by development bodies with relatively little reference to local authorities. More ‘joined up’ local planning under the governance of the local authority would address this democratic deficit and enhance the role of local government in local service delivery. By the same token, the Steering Group is also conscious that there is considerable variation in approach, skills and standards of service delivery across both local authorities and local development companies.

A Way Forward

- The Steering Group considers that a more co-ordinated and integrated approach to local service provision is now required. This should be based on an enhanced role for local government in planning, decision-making, oversight and, where appropriate, delivery of local development programmes within agreed structures. The Steering Group believes that alignment along local authority boundaries would be most effective in this regard. Such an administrative, operational and spatial alignment should enable greater ease of access and deliver more sustainable frontline services for citizens. It should also reduce administrative and bureaucratic burdens, lessen duplication, achieve greater value for money and improve joined-up planning under the governance of local government.
- It is the Steering Group's view that meaningful community engagement and involvement within this framework will be essential in identifying actual needs and agreeing the services to be delivered. It is vital, therefore, that the bottom-up approach, with a focus on targeting those most in need and facilitating meaningful citizen participation, is embedded as an integral part of the planning and decision-making process as well as in the delivery of services.
- Given the variations in standards, skills and approaches, the Steering Group believes there is need for a strong national oversight role to ensure consistency of standards and approaches across the country in the interests of good quality services to citizens and communities.
- While the focus of the Steering Group's work is primarily on programmes that are managed by the DECLG, we believe that service planning and delivery would be greatly improved at national and local level if central government adopted a more integrated and targeted approach to all the programmes funded and managed by all departments and agencies and delivered locally. Joined-up services based on a comprehensive cross-programme and cross-government alignment would undoubtedly achieve greater operational efficiency and better services to citizens.
- There is an inherent tension between central government and local government priorities, which militates against an integrated approach at local level. The Steering Group believes that, within any newly aligned structures, central government priorities should allow greater flexibility at local level to customise programmes and policy initiatives to local needs and priorities. In turn, the policy making role at national level should be informed by delivery and practice on the ground at local level. New aligned

frameworks and arrangements should provide for such an enhanced link between policy and practice.