

The Corporate Governance of Regional and Local Public Service Bodies in Ireland

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Muiris MacCarthaigh

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Executive Summary

This study provides an original quantitative and qualitative analysis of the corporate governance of local and regional non-commercial public service bodies in Ireland. In so doing, it represents part of a wider research programme on Irish public sector bodies under the auspices of the Committee for Public Management Research (CPMR)¹. As noted in the CPMR Research Report on Non-Commercial National Agencies², the definition of public bodies must be one that is not self-selecting and that can facilitate international comparison. Therefore, as before, the working definition of a public service body is an organisation that has the following characteristics,

- It is structurally differentiated from other organisations.
- It has some capacity for autonomous decision making.
- It has some expectation of continuity over time.
- It performs some public function.
- It has some personnel.
- It has some financial resources.

As with the study of national non-commercial bodies, public organisations operating at local and regional level were invited to complete a survey questionnaire in order to assess their autonomy and accountability. This questionnaire was developed in partnership with the Instituut voor de Overheid of the Katholieke Universiteit Leuven. Through the COBRA (Comparative public organisation data Base for Research and Analysis³) research network, studies of public sector bodies have been undertaken in Flanders (Belgium) and Norway, and progress is underway in Italy, Germany and the Netherlands to conduct similar analyses.

The Irish questionnaire was pilot-tested in the Institute of Public Administration and a small

number of public service bodies covered by the study. Amendments were made in light of comments received. The final questionnaire consists of four sections, as follows:

- Section one: the organisation. This sought information on the body's history, its current functions, legal status, budget and personnel numbers.
- Section two: autonomy. This assessed the autonomy of the body in terms of HR, finance and policy.
- Section three: accountability and responsibility. This provided information on the body's board and financial audit functions, as well as the accountability of the CEO.
- Section four: accountability and direction. This recorded information on the body's strategy and direction, including its methods of performance measurement, as well as issues concerning the body's relationship to its parent body/department.

Following revision and testing of the survey questionnaire, letters were sent to 283 local and regional non-commercial bodies in February 2006 asking them to complete the web-based questionnaire (a copy of the questionnaire and this letter are included in appendix 4). The data from these bodies was then entered into an electronic database from which findings were derived. A response rate of 55 per cent or 157 bodies was achieved. In order to develop a 360-degree perspective on the relationship between the bodies and 'parent' organisations, semi-structured interviews with civil servants from various departments were also conducted during the drafting stage. Where available, official documents on current developments were interrogated and civil and public

¹ www.cpmr.gov.ie

² McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005)

³ www.publicmanagement-cobra.org

servants were also consulted by telephone and e-mail concerning individual local and regional bodies.

While the majority of bodies in this study are either indirectly elected or representative of various stakeholder groups, local authorities are also included in order to provide a more complete picture of sub-national governance in Ireland. For ease of understanding and interpretation of results, the bodies are categorised by 'sub-sector'. There are twelve sub-sectors in all:

- regional authorities
- regional assemblies
- harbour commissions
- vocational education committees
- city and county enterprise boards
- Partnerships
- LEADER groups
- regional fisheries boards
- regional tourism authorities
- city and county development boards
- city and county childcare committees
- city, county and borough councils

It should be noted that at time of writing, initiatives to change the governance structures and functions of several sub-sectors are underway. The government has adopted a policy to allow local authorities, where appropriate, take over the functions of harbour authorities; regional tourism authorities are being reconstituted as regional tourism development boards with an emphasis on their strategic rather than administrative roles; and many of the functions of regional fisheries boards are to be subsumed into a new national authority. Furthermore, a 'cohesion' process is in progress to

provide, where possible, a merger between Partnerships and LEADER groups. The conclusions and recommendations of this study in respect of these bodies are constructed in the context of these reforms.

The survey examined the autonomy and accountability of these organisations vis-à-vis their 'parent' organisations in relation to human resources (strategic and general), finance, policy and management structures. Some general findings uncovered by the survey include:

- The functions most commonly performed by sub-national bodies in Ireland are direct implementation of policy and co-ordination.
- Over 80 per cent of existing sub-national bodies (other than local authorities) have been created since 1990.
- Membership of the EU has had a strong influence in this phenomenon, both in terms of funding and legislation for the establishment of such bodies.
- The average staff complement per sub-sector ranged from 3 to over 700 full-time equivalents.
- Budgets ranged from circa €27,000 to €1.5 billion.

The degree of autonomy that local and regional bodies have is an important issue in terms of governance. The table below demonstrates that, in terms of HR (strategic and general), finance and policy, the degree of autonomy varies widely between sub-sectors, with no clear patterns or relationships emerging. It is notable, however, that local and regional bodies are, on average, likely to have more autonomy over HR issues for individual staff and policy than for strategic HR and finance issues.

Sub-Sector	Strategic HR Autonomy	HR Autonomy for individual staff	Financial Autonomy	Policy Autonomy
Regional Authorities	Minimum	Low	Low	Moderate
Regional Assemblies	Low	Moderate	Low	High
Harbour Commissions	Maximum	Maximum	Low	Moderate
VECs	Minimum	Low	Moderate	Moderate
Enterprise Boards	Minimum	Low	Low	Moderate
Partnerships	High	Maximum	Moderate	Moderate
LEADER	Maximum	Maximum	Moderate	Moderate
Reg. Fisheries Boards	Minimum	Moderate	Low	Moderate
Reg. Tourism Authorities	Low	Moderate	High	High
Development Boards	Minimum	Low	None	Maximum
Childcare Committees	Moderate	High	Low	Moderate
Local Authorities	Minimum	Moderate	Moderate	Moderate

The detailed analysis of each sub-sector is contained in the following chapters. What follows here are the principal findings and recommendations in relation first to eleven of the sub-sectors in general and then to the local authorities.

The 11 Sub-Sectors – General Findings

The eleven (non-directly elected) sub-sectors range considerably in age and function. However, some important patterns emerge. Just as the study of national non-commercial bodies found a sharp increase in the number of such bodies being established since the early 1990s, so too do the majority of sub-national bodies (80 per cent) date from 1990 onward. Also, co-ordination emerges as a defining feature of sub-national government in Ireland. Almost one third (32 per cent) of local and regional bodies view co-ordination as their main role, which demonstrates recognition of a high level of activity diffusion at sub-national level, and the need to avoid duplication. A further 28 per cent view direct implementation of policy as their primary role with another 18 per cent identifying specialist areas of work.

In terms of secondary function, analysis of the norm for the eleven sub-sectors again identifies co-ordination featuring strongly (23 per cent). Other prominent roles for sub-national bodies include the provision of information, advising, the direct implementation of policy and promotional (non-commercial) development.

There is currently considerable institutional reconfiguration at sub-national level, and at least three sub-sectors (harbour commissions, regional fisheries boards and regional tourism authorities) have recently been abolished or are in the process of reform or having their main functions subsumed by other organisations. Many Partnership companies and LEADER groups have also recently been merged, with more to follow. Membership of the EU has also resulted in institutional change at the sub-national level, and at least half (54 per cent) of organisations other than local authorities noted that the EU had a ‘strong influence’ on their current organisation form. A further 32 per cent report that the EU had had ‘some influence’ in this regard.

A significant number of sub-national bodies have Articles and Memoranda of Association and interviews suggest that the Code of Practice for the Governance of State Bodies is used extensively.

The norm for the eleven other sub-sectors reveals that the aspect of general HR policy which regional

and local organisations are most likely to have autonomy over is establishing staff evaluation schemes. Few organisations had discretion over salary levels. Local and regional bodies also have considerable discretion over staff appointment and selection procedures (61 per cent) and dismissal criteria (56 per cent). Approximately half of the bodies practise some form of internal HR management devolution.

The vast majority of local and regional bodies receive their funding from central government. However, several raise some revenue themselves for current expenditure, including harbour commissions and Partnership companies. The EU is also an important source of funding for other sub-sectors although this will change in the context of Ireland’s move from being a net recipient to a net donor within the Union. Few can take out loans or shift budget by year without ministerial or departmental approval, but many can shift budgets by function. Just over half of the eleven sub-sector respondents report having an audit committee in their boards, and almost all have been audited externally in the last two years. Audits tend to focus more on financial results, legality and compliance and internal control systems than on organisational results.

Only 15 per cent of sub-national bodies (other than local authorities) have discretion over deciding on target groups, while the equivalent figure for policy instruments is 13 per cent. Local and regional bodies are also more likely to report on strategy, objectives, planned investment, financial and non-financial targets than national non-commercial bodies, as well as reporting on work completed in these areas. Eighty-nine per cent of local and regional bodies in the eleven sub-sectors produce annual reports. The vast majority also publicly report on financial and non-financial performance. Fifty-six per cent state that they feel the number of performance indicators has increased and an equal number report that indicators are used ‘to a large extent’ in their relationship with their parent department or body. Apart from harbour commissions, all sub-sectors’ non-financial results are evaluated by themselves and an external body, which may or may not be their parent department. Approximately three quarters report that there are no rewards for meeting their goals (mainly resource increases), while about half said sanctions existed.

Survey responses indicate that all local and regional bodies have a board (compared to 69 per cent of national bodies), appointed by a variety of means from popular or stakeholder election to

ministerial nomination. The two largest cohorts of representatives to local and regional bodies (excluding local authorities) are stakeholder representatives and members of local authorities nominated to serve on boards of other organisations. A majority of boards surveyed are moving from being concerned with operational issues to more strategic matters. The roles of the vast majority of CEOs (or equivalent) are put in writing. Most CEOs are accountable for results, the functioning of the organisation, budget administration and compliance with rules and regulations. Half of the CEOs are employed on a permanent basis, while half are on fixed-term contracts. The majority of CEOs are evaluated by their boards. A majority of respondents also report that both management and boards use internal reporting and evaluation systems to enable results assessment 'to a large extent'.

While no local politicians are on the boards of national non-commercial bodies, a significant number of city and county councillors sit on the boards of local and regional bodies. They comprise 35 per cent of all board members at local and regional level. Stakeholder representatives comprise a further 31 per cent (Table 8.2). Also, while 29 per cent of board members of national bodies are independent experts, only 3 per cent of those on the boards of local and regional bodies are. There is also considerable variation across sub-sectors in terms of CEO appointment mechanisms, contracts and evaluation.

One third of local and regional bodies (other than local authorities) meet with their parent department quarterly. Almost a quarter reported that they never formally meet with their parent department, while 36 per cent do so annually. Sixty-five per cent report that such meetings focus on the achievement and reporting of results 'to a large extent'. Many of the sub-sectors have representative bodies such as the Association of City and County Enterprise Boards, the National Fisheries Management Executive or PLANET (LEADER groups) which also act as conduits between local and regional organisations and parent bodies. Informal contact by telephone and e-mail is very common, with almost 70 per cent of survey respondents noting that it occurred at least once a month, if not more frequently.

Recommendations for the 11 sub-sectors

While each sub-sector, insofar as possible, is treated individually in the following chapters, it is appropriate here to present global rather than

individual recommendations. Attention to variations in role, composition, levels of autonomy and accountability practices between sub-sectors is drawn throughout this study and should provide food for thought on future reforms. Again, it must be noted that several sub-sectors are already undergoing a process of change and transformation. It is intended that these recommendations will improve the corporate governance of local and regional bodies in Ireland and inform the future development of sub-national government in Ireland.

Creation of new local and regional bodies

The bodies considered in this study have multiple roles and duties, and an audit of these functions to identify those that may more appropriately be located within a single national body, including government departments, would prove useful. While a large number of local and regional bodies are concerned with co-ordination, it is recognised in the new National Development Plan 2007-13 (p.238) and National Action Plan for Social Inclusion 2007-16 (p.79) that the county and city development boards are 'the key coordinating mechanism for public service delivery at local level'. In this respect, it is envisaged that a key function of the development boards will be to avoid duplication of function at sub-national level.

A framework for clarifying what functions or services are more appropriately performed by local, regional or national levels of government would be instructive. The reasons for adopting sub-national duplicate structures instead of a centralised body with regional offices should be borne in mind, particularly in the context of decentralisation. To maximise effective networking, organisations need to adapt their internal structures and work practices according to the task in hand. In part, the 'cohesion process' currently in progress for the Partnerships and LEADER groups within certain local authority geographical areas provides evidence that this is already underway.

Local and regional organisations must also harness their resources in tandem with other sub-national (and national) bodies. In general, given the wide variety of organisations currently operating at sub-national level, and the vast array of functions being performed by them, it would not seem prudent to establish any further local or regional bodies without detailed consideration of existing structures and how potential reforms would affect them. The diminution of EU influence (and particularly funding) over many bodies may also act as a catalyst for future restructuring.

HR autonomy and accountability

An audit of staff numbers at sub-national level would be practical and should be updated at least annually, taking seasonal variations into account.

It would also be advantageous to develop guidelines for the devolution of internal HR management in organisations at sub-national level.

Although salaries are controlled centrally, some criteria for allowing local discretion over this issue would be useful, particularly in respect of performance-related pay. Many local and regional bodies report having considerable discretion over hiring of staff and more organisations could be given greater discretion to decide on staff numbers within a defined budget.

In this respect, it would be constructive to develop a system for sharing resources in staff recruitment within and across sub-sectors.

There should be a contract template for the various categories of staff in local and regional bodies, particularly those who recruit seasonal staff.

Financial autonomy and accountability

Given the variety of local and regional bodies in existence, consistency around financial reporting standards and formats should be ensured. Some guidelines for smaller bodies would be valuable in achieving this.

Value for Money audits, where they do not exist, should be introduced on a pilot basis in conjunction with the office of the Comptroller and Auditor-General.

Given that a majority of local and regional bodies do not currently have the ability to move budget by year but are expected to report on future planned investment, the possibility of introducing multi-annual financial packages should be considered. Further extension of the requirement for bodies to produce multi-annual business plans would assist this development, and the changing nature of EU funding as a source of revenue will also require changes in financial management arrangements.

Consideration should be given to allowing sub-national bodies, particularly those involved in commercial development, greater freedom to take out loans once certain criteria are met.

Policy autonomy and accountability

Ensuring the coherence and consistency of national policies at sub-national level requires high levels of trust between central, regional and local government. Allowing greater local discretion over policy implementation can foster trust and improve

outcomes and can be enhanced through regular reporting mechanisms. Consideration should therefore be given to allowing greater involvement of local and regional bodies in identifying policy instruments and the target groups for policy.

Guidelines for the development and best use of performance indicators in sub-national bodies should be developed.

This study has identified very little use of rewards and sanctions in the bodies surveyed. The introduction of rewards for performance and financial efficiency in local and regional bodies should be considered in the context of future public service modernisation. Conversely, sanctions for poor performance should also feature in any changes in this regard.

Boards

In terms of the non-directly elected bodies considered here, there are significant variations in board size and composition which often bear little relation to the tasks required of them. The lack of independent experts on local and regional boards (when compared with national bodies) is prominent in this regard, while other categories of board member, such as local councillors and stakeholders, tend to dominate. In order to address this, some consideration should be given to formulating guidelines concerning the achievement of an appropriate board composition. Also, the appointment of representatives of local and regional government to the boards of national bodies offers opportunities for the views of sub-national government to be more formally reflected.

The demand on boards to become more strategic in carrying out their work, as evidenced by this study, indicates that particular skill-sets concerning strategic planning are required. One method of achieving this might be to create a database of persons with relevant skills who are qualified to serve on boards of various kinds. A board, or a defined portion of a board, could be appointed from this database which could be updated on an annual basis. This database could be ordered by geographical area in order to suit the particular requirements of many sub-national bodies.

Consideration should be given to ensuring that the Code of Practice for the Governance of State Bodies is cognisant of the needs of sub-national as well as national bodies.

Given that a large number of the bodies surveyed do not have internal audit committees, and the cost of employing external auditors, consideration should be given by parent organisations to

providing centralised training and/or resources to help local and regional bodies in this regard.

Relationship between local and regional bodies and 'parent' organisations

This study has identified a range of reporting practices and accountability relationships existing between the organisations under examination and their 'parent' body or department. In many cases, intermediate structures are used. It is therefore recommended that the role and responsibilities of 'parent' departments in relation to the local and/or regional bodies under their aegis be clarified. In this respect, a Memorandum of Understanding (MOU or Service Level Agreement) should be considered where they do not already exist and where there are weak statutory guidelines. MOUs are increasingly common in Irish public administration, and are encouraged as good practice by the Organisation for Economic Cooperation and Development. They are useful for managing relationships and help establish basic principles and guidelines under which two or more entities agree to work.

Also, it is important to ensure that there are regular formal meetings between the bodies and 'parent' organisations, and that such meetings have a clear format and purpose. Where it does not already occur, regular attendance of senior departmental representatives at the board meetings of local and regional bodies should be provided for.

Local Authorities – General Findings

The study bears out the fact that much of local authority activity is conducted within defined statutory frameworks, and many functions are performed according to legislative and departmental guidelines. In fact, this seems to be true of sub-national government generally and many local and regional bodies are similarly bound. However, within the aforementioned frameworks, survey responses indicate that local authorities do have room for policy manoeuvre, customisation and innovation.

The fact that much of local authority activity is established in law accounts for the fact that almost three quarters of respondents noted that the primary role of their local authority is the direct implementation of policy. Also, 39 per cent stated that regulation is their principal secondary

function. The multi-functional role of local authorities is reflected in the fact that co-ordination, non-commercial promotional development and commercial development also feature in responses.

Local authorities display minimum levels of strategic HR autonomy. As per the public service generally, policy on staff numbers, salary levels and conditions for promotion are set centrally for all local authorities. One area where they have discretion is in relation to staff evaluation schemes. Almost every local authority practises some level of internal HR management devolution. In terms of individual HR autonomy, local authorities have moderate levels of autonomy. Most have discretion in relation to staff promotion, evaluation, dismissal and appointments, but little discretion in relation to salary and tenure.

Local authorities have moderate financial autonomy. In the overall, local authorities source some 56 per cent of their current expenditure from local sources (commercial rates 26 per cent; goods and services 30 per cent), with the remainder being provided by way of government grants/subsidies (23 per cent) and general-purpose grants from the Local Government Fund (21 per cent). For most, money from the Local Government Fund and grants are key sources of revenue for capital and current expenditure, with fees and charges also contributing a significant portion of income. While a minority of councils responded that they had audit committees (a point also noted by the recent Indecon report on Local Government Financing⁴), recent legislative changes⁵ provide that such committees will be established in all local authorities, starting with city and county councils. They are also audited annually by the Local Government Audit Service, which also undertakes value for money evaluations across the local government sector. New financial management systems have also been rolled out, including the introduction of accrual accounting and risk management techniques.

In terms of target groups and policy instruments, local authorities operate within departmental guidelines, but in general have moderate policy autonomy. Local authorities are more likely than national bodies to produce reports on planned investment, and are adept at producing multi-annual business plans. They are also the most likely

⁴ Indecon Economic Consultants *Review of Local Government Financing*, (Dublin: Department of the Environment, Heritage and Local Government, 2006), p. xx

⁵ Local Government (Business Improvements Districts) Act 2006, Section 5

of all sub-national bodies to report on work completed and all produce annual reports. In general, local authority goals are set by the authority, often in conjunction with the Department of the Environment, Heritage and Local Government. A majority report that the number of performance indicators has increased over the last five years. Most local authorities evaluate their non-financial results either themselves or in conjunction with others. Almost half of local authority respondents reported that some form of rewards and sanctions existed for their organisation.

For local authorities, the city or county manager is accountable for everything in the organisation to the elected council with whom he or she works closely. A large number of respondents note that internal reporting and evaluation systems are being extensively developed to assess results on objectives and that divisions in the organisation are managed on the basis of results. However, only half of local authority respondents felt that resources are allocated on the basis of results. Survey responses also indicate that local authority management is more likely than elected members to use internal reporting and evaluation systems.

A variety of communication routes between local authorities and the Department of the Environment, Heritage and Local Government are utilised. In particular, meetings between the department's management advisory committee and the County and City Managers' Association provide an important channel of communication. Meetings tend to focus on the achievement and reporting of results. Local authorities also regularly report on non-financial results to the department. Considerable work has been undertaken in recent years towards improving governance in local authorities

through the establishment of corporate policy groups and strategic policy committees.

Recommendations for local authorities

The new social partnership agreement, *Towards 2016*, calls for further developments in respect of improving organisational performance and Performance Management and Development Systems (PMDS). These issues are closely related to human resource functions and therefore the possibility of local authorities developing greater strategic HR autonomy might usefully be explored. A more developed system of rewards and sanctions for performance might also be appropriate in this context.

Although many local authority functions are statutory, more emphasis should be given to ensuring that there is more focus on the allocation of resources on the basis of results and greater linkages between strategies and outputs.

In keeping with good corporate governance practices, methods of involving elected members in local authority internal reporting and evaluation systems would be desirable.

As emphasised throughout this study, the wide variation in current corporate governance arrangements across and within sub-sectors make 'one-size-fits-all' arrangements impracticable even if it were to be desirable. However, greater attention must be given to the role of non-commercial local and regional bodies in the changing landscape of Irish public administration. It is hoped that this study will achieve its goal of advancing consistent thinking as to how the attainment of appropriate levels of autonomy and accountability for sub-national bodies in Ireland can best be achieved.

1

Introduction

1.1 Setting the scene

The development of new organisational arrangements has been a defining feature of modern Irish public administration. It follows a pattern common to OECD states, which has seen public administrations internationally respond to a variety of challenges, including demands for greater efficiency and productivity. While academic and practitioner focus has tended to be on the emergence of non-departmental public bodies (or agencies) at the national level, there have also been some important developments at the *sub-national* level, which forms the subject of this report.

As part of its work programme, and in response to a specific suggestion arising at the Implementation Group of Secretaries General, the Committee for Public Management Research (CPMR) agreed to commence a research project on the ‘Corporate Governance of Agencies’ in Ireland. The first step in this process involved the creation of a complete database of all public bodies operating in Ireland. In total, 601 such bodies were identified in a study conducted in 2003 and, subject to minor revisions in the context of new bodies emerging and others being reformulated since then, this database has formed the basis for more detailed analysis. The study of national non-commercial bodies was completed in 2005 and approved for publication by the Committee as CPMR Research Report No. 6, titled *The Corporate Governance of Agencies in*

Ireland: Non-Commercial National Agencies. This current research report represents the next step in this wider project, and is concerned with the corporate governance of non-commercial sub-national bodies.

1.2 Structure of the report

Following on from this introductory chapter;

Chapter 2 describes the research objectives, some key definitions and the research project methodology.

Chapter 3 provides an overview of Irish public service bodies, including the rationale behind the use of local and regional bodies in Irish public administration and the distribution of functions between national and sub-national levels of government.

Chapter 4 categorises the various types of sub-national body surveyed for this study and presents aggregate descriptive findings for each type.

Chapters 5, 6 and 7 consider the autonomy and accountability of local and regional bodies in terms of human resources, finance and policy.

Chapters 8 and 9 analyse the governance structures in non-commercial local and regional bodies, and the relationship between such bodies and their parent departments or bodies.

Chapter 10 summarises the research’s main findings and the recommendations emerging from them.

2

Research objectives, definitions and methodology

2.1 Terms of reference

The CPMR agreed the following terms of reference for an overarching thematic research programme on the corporate governance of public sector bodies.

- Map the development of Irish public service agencies over time in order to obtain a clearer understanding of the range and variety of such bodies, in terms of their role, function, corporate governance and accountability relationships.
- Place this information within a wider international context.
- Identify and discuss key and/or emergent governance issues for the future, as well as possible ways forward in the light of identified national and international good practice.

It was agreed that this project would involve detailed analysis of three different categories of state bodies in Ireland:

- national non-commercial bodies
- local and regional non-commercial bodies and
- local and national commercial bodies.

This study addresses the analysis of the local and regional non-commercial bodies.

2.2 Key definitions and concepts

Before presenting findings from the responses to a survey that provides the main data sources for this study, it is important to clarify the meaning of some terms used in this study. The key terms are the ‘Irish public sector/service’, ‘public service bodies/agencies’, ‘local and regional’, and ‘corporate governance’.

2.2.1 Irish public service

A distinction must be drawn between the public sector and the public service. The definition of the

public sector developed by Humphreys and Gorman (1987) and currently used by the Central Statistics Office⁶ is as follows:

An Irish public sector organisation is defined as any employing body which: (a) directly derives the majority of its share capital from Irish public funds, or (b) has the majority of its Board/Executive members appointed by an Irish Minister, or (c) directly derives the majority of its revenue from Irish public sources. The Irish public sector comprises the following administrative sub-sectors: the Oireachtas (or National Parliament) and the Judiciary, the Civil Service, the Garda Síochána (or National Police Force), the Defence Forces, the Local Authorities, the Health Services, education, the Harbour Authorities and the State-Sponsored Bodies ... Private sector employing organisations are defined as the residuum (Humphreys and Gorman, 1987:8).

The ‘public sector’ therefore comprises organisations that are both commercial and non-commercial in character, i.e. bodies that both do and do not derive the bulk of their revenue from trading and commercial activities. For example, not only does it include civil service departments, schools and hospitals, but it also includes large enterprises in the transport and energy sectors. Also, as well as local authorities, our definition encompasses regional authorities and bodies. For the purposes of this phase of the study, the public *service* does not refer to commercial bodies i.e. those public bodies that for all or a substantial part of their income, depend on the production of goods or services that are sold directly to the public.

2.2.2 Public service bodies/agencies

Internationally, the development of public bodies outside of central government ministries and

⁶ See Central Statistics Office *Statistical Bulletin* Vol. LXXVI No. 3, (September 2001), pp. 649-650, Dublin: Central Statistics Office.

offices has become a particular focus of attention in the study of public administration and government. Terms such as quasi-autonomous non-governmental organisation (QUANGO), non-departmental body and executive agency have become commonplace. However, the wide range and variety of such bodies means that identifying an all-encompassing definition has proved problematic⁷. There is consensus, however, that the issues of autonomy and accountability are central to our understanding of these organisations, and identifying the correct balance between these two factors remains at the heart of much public sector reorganisation.

As noted in the CPMR Research Report on Non-Commercial National Agencies⁸, the definition of agencies must be one that is not self-selecting and that can facilitate international comparison. Therefore, as before, the working definition of an agency is a public service body that has the following characteristics.

- It is structurally differentiated from other organisations.
- It has some capacity for autonomous decision making.
- It has some expectation of continuity over time.
- It performs some public function.
- It has some personnel.
- It has some financial resources⁹.

The *IPA Yearbook and Diary* refers to state-sponsored bodies (SSBs) as being in general ‘bodies, with powers and duties set by statute or by ministerial authority, whose staffs are not civil servants and to whose governing boards or councils the government appoints some or all of the members’. However, it is noted that some such bodies may in fact be staffed by civil servants¹⁰.

In this study, the term public service body or bodies is used to cover both local authorities and

local or regional agencies. In order to delineate further the jurisdiction of public service bodies for the purposes of this study, the database used here does not include the following entities within the public service:

- The Office of the Houses of the Oireachtas
- government departments/offices that have direct ministerial level representation in cabinet
- local/regional offices/branches of civil service departments/offices
- cross-departmental teams
- tribunals of inquiry
- task forces
- non-statutory advisory committees
- The Judiciary
- The Defence Forces
- An Garda Síochána
- The Coroner’s Service
- The Sheriff’s Service
- town councils
- individual hospitals and educational institutions
- cooperative societies and voluntary organisations
- European institutions and international organisations (apart from those established following the 1999 Belfast Agreement).

Thus the 2003 survey identified 211 public service bodies operating (on a non-commercial basis) at national level in Ireland, and a further 283 operating at local and regional level.

2.2.2.1 Why agencies?

The study of national non-commercial bodies in Ireland summarised the main reasons for ‘agencification’¹¹. To briefly recap, there are five reasons¹² identified in the literature on national-level public sector organisations, of which either one or a multiple can explain the reason for the establishment a new public sector body.

⁷ See Thynne, I. “State Organisations as agencies: an identifiable and meaningful focus of research?” *Public administration and development* Vol. 24 (2004), pp. 1-9; OECD *Distributed Public Governance: Agencies, Authorities and other Government Bodies* (OECD: Paris, 2002), p. 9; Pollitt, C.; Talbot, C.; Caulfield, J. and A. Smullen (eds) *Agencies: How Governments do things through Semi-Autonomous Organisations* (Basingstoke: Palgrave Macmillan, 2004), p. 10.

⁸ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005).

⁹ It should be noted that in responding to the survey questionnaire, a small number of bodies stated that they had no dedicated budget or no full-time staff, and were thus technically in breach of the definition above. However, as they were isolated cases, a more informed picture is provided by including them in the survey.

¹⁰ Institute of Public Administration *Yearbook and Diary 2006* (Dublin: IPA, 2005), p. 183.

¹¹ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), pp. 4-7

¹² In a recent study of French quasi-autonomous agencies, Elgie (2006) identifies eight hypotheses for the establishment of agencies: greater efficiency, demonstrating commitment, blame-shifting, political uncertainty, institutional isomorphism, state tradition, political leadership and the spread of NPM norms.

(1) Economic/efficiency reasons

Pressure to increase the productivity and efficiency of public sector administrations has encouraged the 'contracting out' of state services to specialist public bodies. This offers opportunities for greater operational flexibility and more efficient use of resources.

(2) Changing expectations in society

Public demands for better and more individually-tailored services has resulted in the creation of new bodies which are viewed as delivering on these demands more easily than, for example, a government department. Also, public expectations for greater involvement in various stages of the policy cycle have resulted in more emphasis on consultation and 'stakeholder' participation in the work of public bodies. This is particularly evident in the case of stakeholder appointments to the boards of such organisations.

(3) Political reasons

The logic here is that removing the implementation of policy programmes from civil service bureaucracies to public bodies facilitates more decisions being made using economic and efficiency rather than political criteria. Establishing an independent body to deal with political issues can also allow politicians to publicly demonstrate their commitment to these issues. Thus 'agencies' can provide political credibility.

Setting up an independent agency to deal with politically problematic issues can also help the political administration to deal with a problematic policy area without being seen as directly responsible for it. Experience elsewhere would tend to suggest however that instead of deflecting attention, public bodies involved in politically sensitive issues tend to attract above average attention from the media¹³.

Also, political actors may seek the establishment of a new organisation in order to solve problems in their policy field. Alternatively, a new body might be established to lead change that might otherwise be directed by forces external to government. Finally, agency-type status may in some cases allow a government to exert more direct political control over a policy programme, as it is able to appoint the leadership of the organisation and set objective

performance criteria against which to judge its success or otherwise.

(4) Specialisation

The need for specialist skills and technical expertise may result in the establishment of a new organisation that can employ persons from outside traditional civil service structures. It is proposed that this is itself a form of efficiency in policy delivery as it allows departments more time to focus on policy development, while the new body focuses on more administrative and implementation tasks.

(5) 'Isomorphic' factors

This refers to a phenomenon whereby new organisations are established in order to reflect what is regarded as best practice or the most appropriate form for particular service delivery or activity. As will be identified later, the EU has played a prominent role, both passively and actively, in the establishment of new organisations in member states. These include bodies established to attract EU funds as well as those created to distribute EU funding. Isomorphism is therefore a strong factor in understanding the rationale behind the establishment of many local and regional bodies such as LEADER groups.

To these five must be added another to take into account the specific role of *sub-national* bodies.

(6) Sub-national devolution

While many of the same principles and rationale apply to the establishment of sub-national bodies as for national bodies, including efficiency and (local) specialisation, the establishment of sub-national bodies can also represent the devolution of functions from the centre. Principally, such devolution allows for public services to be put closer to their users and provide for more local forms of accountability and legitimacy through local stakeholder involvement. This is particularly true of those organisations with directly or indirectly elected local representatives on their boards.

2.2.2.2 What are public service bodies set up to do?

The study by McGauran et al¹⁴ found that public bodies or agencies are established to deliver one or a number of the following specific functions:

¹³ Hogwood, B.; Judge, D. and McVicar, M. "Agencies and Accountability" in Rhodes, R. (ed.) *Transforming British Government: Volume I: Changing Institutions* (Basingstoke: Macmillan, 2000).

¹⁴ See McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), pp. 7-8.

- implementing policy
- regulation
- advice and policy development
- information
- research
- representation
- commercial development
- registration
- tribunals.

In order to include the range of sub-national bodies examined in this report, two further functions must be added to this list: *co-ordination* and *promotional development*. As Chapter 5 details, a number of local and regional bodies in Ireland consider their primary tasks to be one of these latter two functions. Co-ordination is a core preoccupation of public administration but is used in varying contexts. For our purposes, co-ordination is the process by which management instruments and measures are used to counteract fragmentation, specialisation or proliferation¹⁵. Promotional development is distinct from commercial development as it concerns non-profit development.

2.2.3 Local and regional

All states define territory for the purposes of governing. Roche refers to local government as ‘a system of administration in political sub-divisions of a state, by elected bodies having substantial control of local affairs, including the power to impose taxes’¹⁶. Similarly, John argues that central to the definition of local government is that it is ‘a democratically elected authority that exercises political choices within denoted boundaries’¹⁷. These views of local government, however, fail to adequately incorporate the many non-elected bodies and organisations that operate within and across local government boundaries.

A public service body, therefore, may operate

within either a national or a sub-national territorial jurisdiction¹⁸. In this study, local and regional public service bodies refers to those public organisations operating within a defined sub-national geographical area; and different public bodies may (or may not) operate within the same defined territory¹⁹.

Also, functions performed by local and regional public service bodies may be duplicated in a range of areas, with each body having the same functions and powers. Town councils aside, county and city council areas are generally, but not always, the smallest unit within which a local public service body operates in this study. However, some local bodies, such as Partnerships, LEADER companies and harbour commissioners do not follow county or city boundaries. Similarly, the seven regional fisheries boards are concerned with activities in territories that are not, for example, congruent with the geographical boundaries of the eight regional authorities.

2.2.4 Corporate governance

The final term to be defined here is ‘corporate governance’. It is the subject of varying interpretations according to the field of inquiry. For example, in financial management literature, corporate governance is concerned with the design of mechanisms that assure providers of capital security of return on their investment²⁰. As the concept has been applied to the public sector, it has become associated not only with financial reporting and controls but also standards of behaviour and organisational structures and processes. This study uses the definition of corporate governance as provided by the Australian National Audit Office, which states that:

Broadly speaking, corporate governance generally refers to the processes by which organisations are directed, controlled and held to account. It encompasses authority, accountability, steward-

¹⁵ See Verhoerst, Koen and Geert Bouckaert (2005) “Machinery of Government and Policy Capacity: The Effects of Specialization and Coordination” in Martin Painter and Jon Pierre (eds): *Challenges to State Policy Capacity*.(London: Palgrave); G.B. Peters (1998) refers to co-ordination as ‘an end-state in which the policies and programmes of government are characterized by minimal redundancy, incoherence and lacunae’ in “Managing Horizontal Government: The politics of co-ordination” *Public Administration* Vol 76 (2): 295-311.

¹⁶ Roche, D. *Local Government in Ireland* (Dublin: IPA, 1982), p. 1.

¹⁷ John, P. *Local Governance in Western Europe* (London: Sage, 2001), p. 34.

¹⁸ There are of course also international cross-border bodies but they do not form part of this study.

¹⁹ Rhodes defined sub-central government as ‘the arena of political activity concerned with the relations between central political institutions in the capital city and those sub-central political organisations and governmental bodies within the accepted boundaries of the state’. (1998: 14).

²⁰ Kirchmaier, T. and Grant, J. “Corporate ownership structure and performance in Europe”, *European Management Review* (2005) Vol. 2 231-45.

ship, leadership, direction and control exercised in the organisation²¹.

As detailed below, the principal corporate governance issues of concern to this study are the issues of function, autonomy, accountability and direction in respect of local and regional non-commercial public service bodies. This will help address the dearth of knowledge concerning issues of governance and accountability in Irish public sector bodies²².

2.3 Survey methodology

As with the study of national non-commercial bodies, public organisations operating at local and regional level were invited to complete a survey questionnaire in order to assess their autonomy and accountability. This questionnaire was developed in partnership with the Instituut voor de Overheid of the Katholieke Universiteit Leuven. The Instituut had already utilised a similar questionnaire in a survey of Flemish agencies in 2002, and using this questionnaire as a template meant that comparable international information on the structure of public bodies would be available. Through the COBRA (Comparative public organisation data Base for Research and Analysis) research network, similar studies of public sector bodies have been undertaken in Flanders (Belgium) and Norway, and progress is underway in Italy, Germany and the Netherlands to conduct similar analyses.

The Irish questionnaire was pilot-tested within the Institute of Public Administration and a small number of the public service bodies covered by the study. Amendments were made in light of comments received. The final questionnaire consists of four sections.

- Section one: the organisation. This sought information on the body's history, its current functions, legal status, budget and personnel numbers.
- Section two: autonomy. This assessed the autonomy of the body in terms of HR, finance and policy.
- Section three: accountability and responsibility. This provided information on the body's

board and financial audit functions, as well as the accountability of the CEO.

- Section four: accountability and direction. This recorded information on the body's strategy and direction, including its methods of performance measurement, as well as issues concerning the body's relationship to its parent body/department.

Following revision and testing of the survey questionnaire, letters were sent to 283 local and regional non-commercial bodies in February 2006 asking them to complete the web-based questionnaire (a copy of the questionnaire and this letter are included in appendices 4 and 5). The option of completing the questionnaire in hard copy (paper) format was also offered to respondents and eleven relevant bodies that did not have web access returned the survey in this form. The data from all the responses was then entered into an electronic database from which findings were derived. By the deadline of 20 March, a response of approximately 34 per cent (ninety-six organisations) had been achieved and with follow up letters, e-mails and phone calls a response rate of 55 per cent (157 bodies) was reached by early May²³.

Table 2.1 below details the response rates from the various categories of local and regional bodies.

Within the responses, however, there were some variations in terms of consistency and some organisations did not complete all four sections, returning only the first two or three sections. No respondent did not complete section 1. The incomplete responses nonetheless yield useful information and the exact total number of responses for each section are set out in Table 2.2.

All survey respondents were asked to state their position in the organisation, and where any organisation responded to the survey more than once, the response of the more senior respondent was preferred. In all, 57 per cent of respondents were CEOs or equivalents, with a further 20 per cent holding positions as senior managers in the organisation. All responses therefore represent the bona fide opinions of senior public servants from the perspective of their particular organisation.

In order to develop a 360-degree perspective on

²¹ Australian National Audit Office *Principles and better practices: Corporate governance in Commonwealth authorities and companies*, Discussion paper (Canberra: ANAO, 1999), p. 1

²² McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p. 31

²³ This included two postal responses.

Table 2.1: Response rate for Regional and Local Non-Commercial Public Bodies

Category of Body	Number of Bodies Contacted	Number of Responses	% Response Rate (approx)
County/City Enterprise Boards	35	20	57
City/County Development Boards	34	17	50
LEADER	38	19	50
Childcare Committee	33	19	57
Partnerships	36	18	50
Regional Tourism Authorities	6	2	33
Regional Authority	8	6	75
Regional Assembly	2	2	100
Vocational Education Committees	34	17	50
Harbour Commissions ²⁴	10	6	60
Regional Fisheries Board	7	3	43
City/County Councils	34	25	73.5
Borough Councils	5	1	20
Other	2	2	100
Total	283	157	55

the relationship between bodies and ‘parent organisations’, semi-structured interviews with civil servants from various departments were also conducted during the drafting stage. As well as helping to explain the many inter-relationships between local, regional and national bodies, these interviews also provided clarity around any potentially contradictory findings. Where available, official documents on current developments were interrogated and civil and public servants were also consulted by telephone and e-mail concerning individual local and regional bodies.

As detailed below, the principal areas of investigation in this report concern key elements of corporate governance – autonomy and accountability in relation to human resources, financial management and policy; as well as the structures and arrangements governing the relationship between local and regional bodies and their parent body or department. Otherwise, the number of valid responses for each sub-sector or question were used as the total rounding up to 100 per cent.

It must also be noted that at time of writing, initiatives to change the governance structures and

Table 2.2: Responses by Category and Questionnaire Section

Category of Body	Number of Responses	Section 1	Section 2	Section 3	Section 4
County/City Enterprise Boards	20	20	19	19	18
City/County Development Boards	17	17	15	16	14
LEADER	19	19	18	17	17
Childcare Committee	19	19	17	15	15
Partnerships	18	18	17	17	16
Regional Tourism Authorities	2	2	2	2	2
Regional Authority	6	6	5	5	4
Regional Assembly	2	2	2	2	2
Vocational Education Committees	17	17	15	14	13
Harbour Commissions	6	6	6	6	6
Regional Fisheries Board	3	3	3	3	3
City/County Councils	25	25	22	22	22
Borough Councils	1	1	1	1	1
Other	2	2	2	2	2
Total (%)	157 (55)	157 (55)	144 (51)	141 (49)	135 (47)

functions of several sub-sectors are in progress. The government has adopted a policy to allow local authorities, where appropriate, take over the functions of harbour authorities; regional tourism authorities are being reconstituted as regional tourism development boards with an emphasis on their strategic rather than administrative roles; and many of the functions of regional fisheries boards are to be subsumed into a new national authority. Furthermore, a ‘cohesion’ process is underway to provide, where possible, a merger between Partnership and LEADER groups. The conclusions and recommendations of this study in respect of these bodies are constructed in the context of these reforms.

The next chapter considers the range and type of organisations identified in the initial 2003 database of public sector bodies.

²⁴ There are harbour authorities at Kilrush and Youghal which, under Section 2 of the 1946 Harbours Act, are administered by the elected Urban District (now Town) Councils. However, it is now the policy of the Department of Transport to develop legislation in order to rationalise existing practice whereby local authorities administer these harbours. The operation of certain other harbours has already been assumed by local authorities; for example Ballyshannon and Bunrana Harbours are administered by Donegal County Council.

3

Overview of Irish public service bodies

In this chapter, the types and number of public bodies operating in commercial and non-commercial fields at local, regional and national levels in Ireland are considered. This information will be drawn from the database originally compiled in 2003, reproduced here at Appendix 2.

3.1 Types of public body in Ireland

Public bodies in Ireland operate at either a national or sub-national level. Furthermore, they can operate on either a commercial or non-commercial basis. Chapter 5 of CPMR Research Report No.6 by McGauran, Verhoest and Humphreys discusses in detail the numbers and main features of the 601 bodies first compiled in a 2003 database of public sector organisations²⁵. Rather than repeat that analysis here, a brief comment on the principal findings of their analysis of the 211 non-commercial bodies operating at national level is provided, which will provide a context for comparisons with the sub-national bodies examined in this report.

3.2 National non-commercial bodies

While there have been some changes to the total number of national non-commercial bodies in Ireland since the CPMR Research Report was published (particularly in respect of the amalgamation of several health bodies within the Health Service Executive), the number remains close to 200. In general, these bodies are stand-alone and do not have duplicates. Some key findings of this report are worth restating here²⁶.

The most common functions identified for the national non-commercial bodies are the provision of policy advice (23 per cent), policy implementation (15 per cent), regulation (13 per

cent) and the provision of information (13 per cent). The health sector accounted for the largest cohort of agencies (14 per cent), followed by education (9 per cent), justice (7 per cent) and research (7 per cent). The majority (60 per cent) of national bodies were established during the 1990s and 2000s, although approximately half of the bodies responding to the survey noted that they had had a previous existence.

The survey population ranged from small bodies with only a part-time staff member to a large organisation of over 2,000 employees and a budget of over €1 billion. The median staff cohort is thirty and the median budget €3,828,000. In the absence of a legal framework for the establishment of public bodies in Ireland, there is considerable variety of autonomy and governance structures within the national bodies. Therefore the study identified that 39 per cent of organisations were statutory corporations (established by primary legislation), 30 per cent were corporate bodies (established by secondary legislation), 2 per cent were public companies and 4 per cent were private companies. While the majority of agencies are established by statute, no common framework exists on what matters are to be regulated in the piece of law establishing an organisation (e.g. a statute, a ministerial order). Thus the report argued that many organisations had been set up in an ad hoc manner, tailored to suit specific policy or service delivery requirements.

3.3 Commercial bodies

The analysis of public sector commercial bodies will form the final stage of the study on the corporate governance of public sector bodies in Ireland. These bodies are also known as state enterprises or semi-state companies and are

²⁵ Another analysis of public bodies in Ireland is provided by Clancy, P. and Murphy, G. *Outsourcing Government: Public Bodies and Accountability* (Dublin: TASC/New Island, 2006)

²⁶ More detailed analysis can be found in pages 50-66 of the CPMR Research Report No. 6

established for reasons different from the non-commercial bodies, normally market failure to provide certain public goods. Such bodies are primarily involved in the provision of goods and services on a commercial basis. They can operate at either a national (Electricity Supply Board, Bord na Móna) or sub-national level (port companies).

3.4 Local and regional non-commercial bodies

As noted in Chapter 2, there are 283 bodies operating on a non-commercial basis at local and regional level in Ireland²⁷. These organisations combine to form the complex system that is Irish sub-national government, an aspect of Irish government and administration that has received far less analysis and academic treatment than central government²⁸. This dearth of analysis is all the more surprising given that many policies of central government would fail without the ability of sub-national public bodies to appropriately implement them. For example, the bulk of public capital investment in Ireland is implemented by local and regional organisations, and almost 20 per cent of public expenditure is at sub-national level²⁹. Also, a simple dichotomy of hierarchical local-central relations obscures the many alternative forms of engagement between local and central administrations and within sub-national government itself. Of course, while an account of sub-national government cannot be divorced from the reality of central government in a unitary state, a fuller account of the contribution of sub-national bodies to national government, including their accountability and autonomy, is necessary to better understand policy making in Ireland.

One of the principal understandings of why public bodies or ‘agencies’ emerge is that a decision is taken to create a ‘purchaser-provider’ split, and to alter the organisational identity of a service delivery body by removing it from within a pre-existing structure (such as a department/ministry) and giving it an identity of its own. The service itself is not altered, but the department cedes a measure of

direct control over service provision and must create a new accountability relationship to compensate. The same understanding can be applied to the establishment of local and regional bodies – central government requires their co-operation as it does not possess a monopoly over certain resources such as local understanding of need. Also, it is suggested by proponents of participative democracy (and federalists) that the devolution of functions to sub-national level offers greater accountability to the people than centralised government does³⁰. Non directly-elected bodies tend not to claim the same democratic legitimacy as those that are directly elected, for example local authorities in Ireland are constitutionally recognised as champions of the community³¹. Recognising this, Norton identifies that sub-national bodies do not ‘govern’ insofar as they do not have scope for making trade-offs between a range of public functions (a defining feature of elected local authorities), but are instead charged with performing specific functions on grounds of efficiency³².

As later chapters will detail, the growth in functions now performed at sub-national level in Ireland has not necessarily been at the expense of central or local government. Rather, the existence of a large proportion of local and regional bodies represents growing public demands for public services as well as the provision of structures to more effectively channel and co-ordinate sub-national activity. Few of these bodies are concerned with policy making but instead engage in service provision. As will be demonstrated in Chapter 4, the period of expansion in the number of national-level public bodies during the 1990s has been matched by a similar growth at the sub-national level. The involvement of networks of actors in the various sub-national fora examined here demonstrates that focusing on simple central-local relations is not sufficient, and that local government has been transformed into an intricate system of ‘local governance’³³. Similarly, focusing on local authorities as the unit of analysis in sub-national government may present a misleading picture.

²⁷ If we add to this number those sub-national bodies operating commercial enterprises (such as port companies) the figure rises to approximately 300.

²⁸ Some exceptions to this include Roche (1982) and more recently Callanan and Keogan (2003). Chubb (1982) also provided some analysis of local government in his work on Irish government and politics.

²⁹ Dexia *Sub-national public finance in the European Union* (Dexia Economic Outlook, November 2006), pp. 9-11.

³⁰ Rubin, E. “The myth of non-bureaucratic accountability and the anti-administrative impulse” in Dowdle, M.W. *Public Accountability: Designs, Dilemmas and Experiences* (Cambridge: Cambridge Studies in Law and Society, 2006), p. 53.

³¹ See Article 28A of *Bunreacht na hÉireann – The Constitution of Ireland*.

³² Norton, A. *International Handbook of Local and Regional Government* (Cheltenham: Edward Elgar, 1994), pp. 42-4.

While recent years have witnessed expansion in the scope of activity at sub-national level, periods of contraction are not unusual, involving both amalgamation and the shifting of functions ‘upwards’ from sub-national to national level. An example of the former would be a programme at time of writing to provide a more coherent structure for LEADER groups and Partnership companies. Similarly, the functions of many harbour commissions are being transferred to local authorities. In the case of functions moving between levels of government, the policy areas of Agriculture and Health have seen shifts from central to local and back in the decades since independence. In 1931, the Agriculture Act approved the formal appointment of county committees of agriculture which would operate independently of county councils³⁴. They were abolished under the Agriculture (Research, Training and Advice) Act, 1988 and their work replaced by a national body called Teagasc³⁵. The Health Act of 1970 established regional health boards to assume the functions of local authorities in relation to the administration of health services, a function that had become statutory in 1947. However, the 2004 Health Act abolished these boards and transferred their functions to the Health Service Executive, a national body.

In 1995, the government established a Devolution Commission to conduct a ‘whole of government’ examination of activities performed at the different levels of administration and make suggestions on which functions could appropriately be devolved to local authorities. The commission identified areas such as tourism, economic development, education and social welfare as examples where local government involvement could be enhanced³⁶. It also recommended that committees at national level representative of government departments, local authorities, service providers and user groups be established to discuss policy issues related to local government. Furthermore, in its Second Report it recommended the closer alignment of

local government with local development agencies and groups, and this was subsequently pursued through the city and county development boards³⁷. However, it has been suggested that there is scope for further improvement in the formal mechanisms of communication between national and sub-national government in order to ensure coherence in policy making³⁸.

Internationally, what functions or services are more appropriately performed by local, regional or national levels of government has never been defined. While divisions of responsibility between levels of government frequently provoke tensions in federal systems, the web of formal and informal modes of communication between the ‘centre’ and local and regional government ensures that such tensions are alleviated. Of course, central government is not a unitary actor and managing the array of local and regional bodies identified in this study requires considerable efforts at co-ordination.

Within sub-national government in Ireland, there are extensive formal and informal connections and activities that link local and regional bodies. The recent creation of city and county development boards represents institutional innovation for the purposes of rationalising and co-ordinating these activities within local authority areas. Similarly, the encouragement of interest-group bargaining as a means of problem-solving has resulted in new interactions at sub-national level as well as a range of new local bodies such as Partnership companies.

Traditionally, local government in Ireland has been conceived of as the sum of local authorities, with elected members responding to local needs at the helm of each. However, while local authorities were and are central to our understanding of government beyond the centre, such a minimalist view of local government fails to take into account a range of actors at local (and regional) level which has existed since the earliest decades of the state’s independence. As this study demonstrates, a move from government to ‘governance’³⁹ at the sub-national level is not necessarily a new phenomenon

³³ A similar case has been made in the British context by King, D. and Stoker, G. (eds) *Rethinking local democracy* (Basingstoke: Macmillan, 1996).

³⁴ Roche, D. *Local Government in Ireland* (Dublin: IPA, 1982), p. 60.

³⁵ O’Sullivan, T. “Local Areas and Structures” in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 41.

³⁶ Devolution Commission *Interim Report* (Dublin: Stationery Office, 1996), pp. 27-28; Devolution Commission *Second Report* (Dublin: Stationery Office, 1997), p. 15.

³⁷ Devolution Commission *Second Report* (Dublin: Stationery Office, 1997), p. 17.

³⁸ Keogan, J. F. “Reform in Irish Local Government” in Callanan, M. and Keogan, J.F. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 87. For analysis of this issue in relation to social inclusion, see O’Riordáin, S. *Poverty and Social Inclusion: Linking Local and National Structures* (Dublin: Combat Poverty Agency, 2006).

³⁹ Rhodes, R.A.W. *Understanding Governance: Policy Networks, Governance, Reflexivity and Accountability* (Buckingham: Open University Press, 1997); Pierre, J. and Peters, G.B. *Governance, Politics and the State* (London: Macmillan, 2000); Kooiman, J. *Governing as Governance* (London: Sage, 2003).

in Ireland, and multiple actors have been involved in service delivery at local level for many decades. Clearly, recent years have witnessed acceleration in the number of such bodies in response to changing economic circumstances, modes of problem solving and co-ordination requirements. As a consequence, there are few policy areas in which local authorities must not also consult with other sub-national (and national) bodies before taking action.

Rhodes defines 'sub-central' government as 'the arena of political activity concerned with the relations between central political institutions in the capital city and those sub-central political organisations and governmental bodies within the accepted boundaries of the state'⁴⁰. A key question that arises when attempting to understand the relationship between central government and sub-national government is whether or not the relationship is a principal-agent one, common to theories of public administration, or if the principle of partnership is adopted. The interviews undertaken as part of this research identify that partnership and consultation are key concerns of government departments when communicating with local and regional bodies, and input to policy making is normally provided through formal channels or 'recognised [representative] bodies'.

Apart from offering greater devolution of power, therefore, sub-national government also offers diversity in response to local need and the wishes of the population. This is in contrast to a centralising policy, whereby government departments would use a number of regional executive offices to provide services. This latter model is advocated as providing more consistent application of state policy and the removal of potential for internal conflict between the department and local bodies, and between one local organisation and another. In Ireland, such a centralising policy occurs in relation to some policy areas, for example the health services.

In Britain, the establishment of 'local quangos' (particularly during the 1980s) has been understood in the context of New Public Management reforms, political necessity, and a belief in broadening participation in local governance⁴¹. In many cases, local quangos divested local authorities of functions in areas such as education and health, and were the subject of concern in this regard⁴².

This is consistent with economic and rational choice theories of why public bodies or agencies are chosen – they allow for an 'unbundling' of government in order to achieve more efficient and responsive performance. However, simple disaggregation does not adequately explain the phenomenon in the Irish case, and the reasons for establishing various sub-national bodies are detailed in Chapter 5. The majority of local and regional bodies established during the 1990s undertook new functions, rather than removing functions from local authorities, and their relationships with 'parent' organisations have developed in a variety of ways. If anything, the diversity of local and regional bodies examined here demonstrates the path-dependent and largely uncoordinated manner in which Irish public administration has evolved; the autonomy and accountability of many sub-sectors being predicated on existing organisational structures and heavily influenced by administrative culture.

The process of agencification at national level, as well as the use of contract arrangements such as public-private partnerships, demonstrates the increased fragmentation of government in Ireland. At sub-national level, such fragmentation also exists. Bodies such as the Environmental Protection Agency and the National Roads Authority have changed the institutional environment in which local authorities must operate. Equally, the emergence of new sub-national bodies poses new challenges. For instance, as well as various charitable organisations such as housing associations, local authorities must work with a range of limited companies including childcare committees and Partnerships. As later chapters identify, local politicians are appointed to the boards of organisations in every sub-sector surveyed in this study, thus providing a channel of communication between local authorities and non-elected bodies. Within the non-elected sub-national state, therefore, there is considerable variety of operation and composition, and given the move towards greater fragmentation and interdependence in recent years, this study provides a timely examination of local and regional non-commercial bodies in Ireland. Chapter 4 will consider these bodies individually in more detail.

⁴⁰ Rhodes, R.A.W. *Beyond Westminster and Whitehall: The sub-central governments of Britain* (London: Unwin, 1988), p. 14.

⁴¹ Stoker, G. *Transforming Local Governance: From Thatcherism to New Labour* (Basingstoke: Palgrave Macmillan, 2004), p. 32-3.

⁴² Hall, W. and Weir, S. *The Untouchables: Power and Accountability in the Quango State* (London: Scarman Trust, 1996).

4

Non-commercial local and regional bodies – creation and features

The survey population for this study consisted of 283 non-commercial local and regional bodies. As already noted, with the exception of two bodies, all of the population are duplicates, i.e. each organisation had a sister body performing similar work but in different geographical area. The response to the survey of 157 bodies included these two non-duplicate bodies and in order to maintain confidentiality and avoid distortion of the examination of any sub-sector by including one or both non-duplicate body, it was decided after examination not to include them in the analysis. Therefore our aggregate survey response consists of 155 non-commercial local and regional bodies in twelve sub-sectors (see listing below). This and the following chapters consider in detail the data received from these bodies. As previously indicated, the findings represent the bona fide opinions of respondents from these organisations.

For ease of understanding and in order to demonstrate the range and variety of bodies under consideration, the twelve sub-sectors are categorised here into five sectors (local and regional administration, educational, promotional and developmental, co-ordination, and local authorities). As local authorities have a direct constitutional and electoral mandate, they are treated separately in all subsequent empirical chapters. While other sub-sectors will also be treated individually, *where appropriate, each will be compared with the norm for the eleven sub-sectors as a whole*. Including local authorities as part of aggregate findings for local and regional bodies would not only fail to give due cognisance to their distinct statutory and constitutional identity but would also skew the interpretation of findings presented here. Reference will also be made as necessary to the study of national non-commercial bodies by McGauran, Verhoest and Humphreys⁴³.

The five sectors and their constituent sub-sectors are:

1. Local Authorities

City, County and
Borough Councils

} Local
Authorities

2. Local and Regional Administration

- Regional Authorities
- Regional Assemblies
- Harbour Commissions

3. Educational

- Vocational Education Committees

4. Promotional and Developmental

- City and County Enterprise Boards
- Partnerships
- LEADER Groups
- Regional Fisheries Boards
- Regional Tourism Authorities

5. Co-ordination

- City and County Development Boards⁴⁴
- City and County Childcare Committees

} 11 Sub-Sectors

⁴³ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005).

⁴⁴ Though described as ‘development’ boards, the principal functions and raison d’être of city and county development boards is co-ordination of activities, and therefore they have been included under this heading rather than that of ‘promotional and developmental’.

Before considering in more detail the role, size and other descriptive issues of the organisations under examination, a useful comparison is drawn here between national non-commercial bodies and the eleven sub-sectors (local authorities are excluded) in terms of primary and secondary function.

Table 4.1 Primary/Main⁴⁵ Function (%)

Function	National Bodies %	Norm for eleven Local and Regional Sub-Sectors %
To advise	23	1
Direct implementation of policy	15	28
Provision of information	13	2
Commercial development	3	7
Promotional (non-commercial) development	6	6
Co-ordination	4	32
Regulation	13	6
Other	18	18
Total	95*	100

*The remaining 5 per cent of national bodies are involved in registration which was not asked of local and regional bodies.

In terms of secondary function, for the eleven sub-sectors other than local authorities, the norm is as follows:

Co-ordination	23%
Provision of information	20%
To advise	20%
Direct implementation of policy	16%
Promotional (non-commercial) development	11%

More detailed analysis of these figures follows as the bodies in each category are described by drawing on the information provided by survey respondents.

4.1 Local authorities

Under this category are included the twenty-nine county, five city and five borough councils. While seventy-five town councils also exist, their limited range of functions precluded them from

consideration in the study. A majority of local authority respondents (65 per cent) traced their contemporary formal legal status to the pre-Independence 1898 Local Government (Ireland) Act, which provided for the rationalisation of local authority structures and functions and established the local authorities as corporate bodies with elected councils. Demonstrating the historical roots of local government in Ireland, some 11 per cent of responses reported even earlier legal establishment and almost half of all respondents (46 per cent) noted that their local authority had a previous existence. However, following recent legislation such as the 1993 Local Government (Dublin) Act and the 2001 Local Government Act, a number of local authorities also identified more recent years as the point of their establishment.

While the Republic of Ireland has historically been divided into twenty-six county areas, there are in fact twenty-nine County Councils. This arises due to the division of Tipperary into North Tipperary County Council and South Tipperary County Council⁴⁶, and of the former County Dublin into Fingal, South Dublin and Dún Laoghaire-Rathdown County Councils in 1994⁴⁷. The five city councils are Dublin, Cork, Galway, Limerick and Waterford.

The only other category of local authority considered here are the borough councils, of which there are five – Kilkenny, Drogheda, Clonmel, Sligo and Wexford. Their status arises from their historical receipt of a self-governing charter, and while the 2001 Act in effect repealed their charters, within their boundaries the borough councils perform many of the same functions as city and county councils. However, in some functional areas the county council in which the borough council is situated will have final responsibility⁴⁸. The final type of local authority, town councils, have elected councils usually consisting of nine members. Under the 2001 Act, the seventy-five town councils are principally concerned with promoting the community interest and some planning and housing functions within the town boundary areas. Following a referendum in 1999, a new Article (28A) was inserted into the Constitution which

⁴⁵ The National Non-Commercial Study asked respondents to identify the main function of their organisation, while the Local and Regional Non-Commercial study asked for 'primary' and 'secondary functions'.

⁴⁶ This dates from the division of the county area into north and south ridings in 1838.

⁴⁷ By virtue of the Local Government (Dublin) Act, 1993.

⁴⁸ O'Sullivan, T. "Local Areas and Structures" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), pp. 41-81.

strengthened the recognition of local authorities and the requirement for regular local elections⁴⁹.

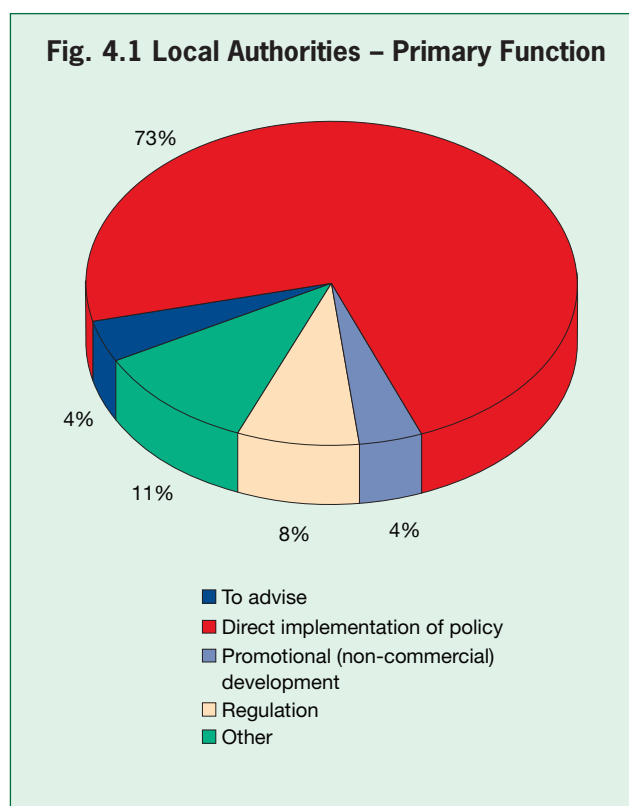
As Roche identifies, the services traditionally provided by Irish local authorities arise from ‘history, accident [and] tradition’⁵⁰, as much as through agreed division of labour between levels of government. Currently, the work of Irish local authorities is normally categorised into nine programme groups. These are:

- (1) Housing and Building
- (2) Road Transportation and Safety
- (3) Water Supply and Sewerage
- (4) Development Incentives and Control (Planning)
- (5) Environmental Protection
- (6) Recreation and Amenity
- (7) Agriculture, Education, Health and Welfare
- (8) Community and Enterprise
- (9) Miscellaneous Services.

The amount of time spent working on each of their programme group areas varies significantly, and the survey responses identified that by far the most common policy fields local authorities operate in are infrastructure, environment and local development. Also, as Figure 4.1 demonstrates, 73 per cent of local authorities saw their primary function as direct implementation of policy, with the next most common response being regulation (8 per cent). This is in contrast to the study of national bodies where only 15 per cent of bodies identified direct implementation of policy as their main function, and the norm for the eleven other sub-sectors where the corresponding figure is 28 per cent. In terms of secondary function, the findings demonstrate that 39 per cent of local authorities chose regulation (compared to only 2 per cent for the eleven other sub-sectors), 15 per cent chose co-ordination, 15 per cent chose promotional (non-commercial) development and almost 12 per cent commercial development.

In terms of personnel, the survey showed that local authorities range in size from 100 to 6,800 full-time equivalents, with the average local authority having 707 staff. Budgets for 2005 ranged from €15 million to €1.5 billion but figures can change significantly year on year depending on the capital projects being undertaken by individual local authorities. The adoption of annual budgets is

Fig. 4.1 Local Authorities – Primary Function



a matter for the elected members, who determine in the budget the annual rate on valuation (local tax rate) on commercial properties and the level of charges for goods and services to be provided.

4.2 Local and regional administration

There are three sub-sectors involved in local and regional administration – Regional Authorities, Regional Assemblies and Harbour Commissions.

Regional authorities

While Ireland is divided into four provinces – Munster, Leinster, Ulster and Connaught – the provincial areas have never been used for administrative or government purposes, and they are principally used today by sports organisations⁵¹. Regional government, in the traditional continental European sense, has not therefore officially featured in the Irish system of government. However, for the administration of EU funding, new administrative regions were created in 1994 and 1999, and are included in this study.

Eight regional authorities were established under the Local Government Act, 1991 (Regional

⁴⁹ Local authorities were implicitly recognised in Articles 12.4.2, 15.2 and 22.1, but no time limits to the lifetime of elected councils previously existed.

⁵⁰ Roche, D. *Local Government in Ireland* (Dublin: IPA, 1982), p. 7

⁵¹ With the exception of Dublin, the provinces also form the constituency boundaries for European Parliament elections.

Authorities) (Establishment) Order 1993. Each regional authority is indirectly elected, and consists of members from a number of local authorities as follows:

Border: Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo

Dublin: Dublin City, Dún Laoghaire-Rathdown, Fingal and South Dublin

Mid-East: Kildare, Meath and Wicklow

Midlands: Laois, Longford, Offaly and Westmeath

Mid-West: Clare, Limerick City, Limerick County and North Tipperary

South-East: Carlow, Kilkenny, South Tipperary, Waterford City, Waterford County and Wexford

South-West: Cork City, Cork County and Kerry

West: Galway City, Galway County, Mayo and Roscommon

Regional authorities elect a chairperson annually from amongst their membership, and are assisted by a director and policy and administrative staff. Results show the average staff complement standing at 4.6 full time equivalents. Under the 1991 Act, the principal roles of the authorities are to promote the co-ordination of public service provision and to monitor the delivery of EU Structural Fund assistance in the regions. This is borne out by the survey results, with two thirds (67 per cent) of regional authorities reporting that co-ordination is their primary function (with another 17 per cent stating that the primary function is to 'promote co-ordination of the provision of public services in the region'). Half of the regional authorities also identified provision of policy advice as their principal secondary function.

Survey results show that the authorities are involved in many policy areas, including local development, infrastructure, environment and equality. The authorities have specific responsibility for:

- reviewing the development plans of local authorities in their region and in adjoining regions in order to develop a long-term planning framework;
- preparing regional planning guidelines and regional economic and social strategies;
- promoting cooperation, joint actions, arrangements and consultation among local authorities and other public bodies⁵².

In order to fulfil these functions, each authority has both an operational committee and an EU operational committee. The operational committee is chaired by the chairperson of the regional authority and comprises senior management from the constituent local authorities and other relevant public sector bodies operating in the region. The operational committee prepares the work of the regional authority and assists and advises it on matters relating to its functions. Also, each regional authority has a designated city/ county manager from one of its local authorities to further enhance the linkages between the local authorities and the regional authority.

The EU operational committee consists of:

- the authority's chairperson
- the manager of each constituent city and county council
- the chairperson and one other representative of each constituent city and county council
- the chairperson and one other representative of any constituent borough council and certain town councils
- representatives of certain state agencies
- representatives of interested parties including trade unions, farmers and employers⁵³.

This committee assists the regional authority in matters relating to EU assistance and reviewing the implementation of various EU operational programmes in a region. While the regional authorities are involved with many issues of service provision, they do not have executive functions and do not provide services directly to the public. Regional authorities are under the aegis of the Department of the Environment, Heritage and Local Government. Amongst those regional authorities responding to the survey, the budgets for performing their duties ranged from €320,000 to €3 million.

Regional assemblies

As well as regional authorities, another branch of Irish local and regional administration was created under strong EU influence. In order to apply for the 2000 to 2006 round of EU structural funds, the government established by Statutory Instrument a new regional tier of government in 1999. The

⁵² See the website of the Irish Regions Office at http://www.iro.ie/regional_authorities.html.

⁵³ Callanan, M. "Regional Authorities and Regional Assemblies" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003: 429-444), p. 434.

country was divided into two regions (according to regional authority boundaries) with an associated regional assembly for each region. The regional assemblies are named after the general geographical area under their jurisdiction for the purposes of the disbursement of funds.

The first region is the Border, Midlands and Western Regional (BMW) Assembly, with its headquarters at Ballaghaderreen. It consists of twenty-nine elected members drawn from thirteen local authorities. They are Cavan, Donegal, Galway, Laois, Leitrim, Longford, Louth, Mayo, Monaghan, Offaly, Roscommon, Sligo and Westmeath. The BMW Region achieved Objective 1 status for structural funds for the period 2000-6.

The Southern and Eastern (S&E) Regional Assembly consists of forty-one elected members from the local authorities of Dublin City, Dun Laoghaire-Rathdown, Fingal, South Dublin, Carlow, Tipperary South, Waterford City, Wexford, Kilkenny, Cork City and County, Kerry, Clare, Limerick City and County, Tipperary North, Kildare, Meath, Wicklow. The S&E Region achieved Objective 1 (in transition) status for the period 2000-6.

Each regional assembly employs fourteen personnel including a director as well as policy and administrative staff. The survey responses mirrored the official roles of the assemblies which are to:

- manage their respective Regional Operational Programme (below) under the National Development Plan
- monitor the impact of the EU programme under the National Development Plan/Community Support Framework within their region
- promote the co-ordination of public services within the region
- make public bodies aware of the regional implications of their policies, plans and activities⁵⁴.

The Regional Operational Programmes for each regional assembly bring together a wide range of initiatives at both regional and local level. They cover regional and local infrastructure, local enterprise development, agriculture and rural development, social inclusion and childcare. As with the regional authorities, the assemblies are

under the aegis of the Department of the Environment, Heritage and Local Government, but also work closely with the Department of Finance.

Harbour commissions

The final sub-sector involved in local and regional administration is the harbour commissions. The 1946 Harbours Act is still the principal governing legislation for the commissions. It created a new legal basis for the control and work of harbour authorities which, as and from 2006, are the responsibility of the Department of Transport. Ten of the authorities are known as harbour commissions (Bantry Bay Harbour Commission was created under the 1976 Harbours Act⁵⁵), although the term is frequently interchanged with harbour authority. The harbour commissions are corporate bodies administered by commissioners and therefore fulfil the criteria necessary for our definition of a public service body. However, the size, nature and historical legacy of their creation makes harbour commissions unique when compared with other sub-sectors as the empirical chapters herein detail.

Harbour commissions are elected in the same year as local authority elections and consist of representatives of stakeholders such as harbour users and local authorities, and ministerial appointees. While not specifically commercial bodies, harbour commissions do collect rates and charges as set by the minister, and as far as possible are required to be self-financing. The minister also retains control over the disposal and acquisition of assets. As noted above, two town councils at Kilrush and Youghal are in fact the harbour authorities for their harbours, and while the harbour at Annagassan technically has commissioners, they are inactive and it is de facto administered by Louth County Council.

In January 2005, the government published its 'Ports Policy Statement'. It states that the continued operation of many of the regional harbours under the outdated provisions of the Harbours Act 1946 is unsustainable on the grounds of good governance. It also reiterates the view that these harbours would best achieve their potential through their transfer to local authority ownership. However, in harbours where significant commercial traffic exists, consideration is to be given to bringing the harbour under the control of a port company.

⁵⁴ More details on the work of the regional assemblies are available at www.bwmregionalassembly.ie and www.seregionalassembly.ie.

⁵⁵ O'Sullivan, T "Local Areas and Structures" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 65.

The Department of Transport is currently working with the Department of the Environment, Heritage and Local Government to advance the implementation of the Ports Policy Statement with regard to the transfer of the designated regional harbours to their respective local authorities, where appropriate, and will proceed individually in conjunction with the relevant local authorities and harbour authorities, having regard to local requirements in each case.

The survey responses identify that harbour commissions are involved in the local development, infrastructure and natural resources policy fields and see their primary and secondary duties as mainly involving regulation, co-ordination and direct implementation of policy. There is considerable variation in the size and numbers of staff employed by the commissions, with the staff complement ranging from one part-time harbour master to five full time equivalents. Responses suggest that the average for each commission is 2.75. The budgets for harbour commissions for 2005 ranged from €22,000 to €500,000. Most harbour commissions are self-financing with respect to current expenditure, with finances being raised through berthing fees and tonnage charges. Some capital revenue (approximately €4 million in 2006) is made available for maintenance and repairs by central government, but significant capital investments do not arise.

4.3 Educational

There is only one sub-sector considered under this sector: vocational education committees.

Vocational education committees

Vocational education committees (VECs) were established as statutory corporate bodies under the Vocational Education Acts, 1930 to 2001, and are under the supervision of the Department of Education and Science. As originally conceived under the 1930 Act, 'vocation' meant both continuation in education and technical (as opposed to academic) education⁵⁶. VECs were therefore designed to be responsive to local educational needs and many of them were formed out of the previously existing technical instruction committees. Today they are involved in not only secondary but also post-secondary further

education and back-to-education programmes. The 1930 Act established thirty-eight VECs but this was reduced to thirty-three following a reorganisation in 1998. While their jurisdiction broadly follows local authority boundaries, they do not come under the control of city and county management. However, a majority of the members of each VEC are elected members of local authorities, and they have reserved functions as established under the 2001 Act.

The principal role of VECs is to provide, administer and manage vocational schools and community colleges. In this respect, 53 per cent of survey responses identified the direct implementation of policy as the primary function of VECs, with co-ordination (12 per cent), provision of information (6 per cent) and regulation (6 per cent) also featuring. They employ administrative and teaching staff and provide education and ancillary services for their administrative areas. The average staff complement (including teachers) for VECs is 432. They are overwhelmingly funded by the state but also receive revenue from local rates. Budgets for 2005 ranged from €8.5 to €140 million. The most recent legislation pertaining to VECs, the Vocational Education (Amendment) Act, 2001 reformed the financial, management and accountability structures in order to better achieve local requirements⁵⁷.

4.4 Promotional and developmental

Within this sector, there are five sub-sectors – city and county enterprise boards, Partnerships, LEADER companies, regional fisheries boards and regional tourism authorities. The vast majority of respondents from each sub-sector identified both developmental and promotional (both commercial and non-commercial) work as part of their primary and secondary functions and are therefore grouped together in this large sector.

City and county enterprise boards

Enterprise boards were first established in 1993 to encourage local enterprise and entrepreneurship. They emerged out of a pilot project that provided project grants in ten counties in western Ireland⁵⁸. However, they only achieved legal recognition as companies limited by guarantee by virtue of Section

⁵⁶ Coolahan, J. *Irish Education: history and structure* (Dublin: IPA, 1981), p. 96

⁵⁷ Curry, J. *Irish Social Services* (4th ed.) (Dublin: IPA, 2005), p. 90

⁵⁸ Sabel, C. *Ireland: Local Partnerships and Social Innovation* (OECD: Paris, 1996), p. 46

10 the Industrial Development Act, 1995. There are currently thirty-five enterprise boards and with the exception of one local authority area (County Cork) their geographical areas of operation are consistent with local authority boundaries. Co-ordination and supervision of their efforts comes within the jurisdiction of the Department of Enterprise, Trade and Employment.

Survey responses demonstrate that the main policy fields in which enterprise boards function are enterprise, local development and training. Their principal role is to help establish and thereafter support the development of employment through small enterprises, defined as those businesses employing ten or less people. This support takes various forms, including financial assistance and business advice. The sectors that enterprise boards are most closely involved with are manufacturing, services and tourism⁵⁹. While one third of respondents identified commercial development as their primary function and 11 per cent promotional (non-commercial) development and regulation respectively, 39 per cent reported that direct implementation of policy is their main task. In terms of secondary functions, 38 per cent of respondents identified the provision of advice.

Interestingly, while 40 per cent of respondents noted that the EU had had 'some influence' on the establishment of their enterprise board, the remaining 60 per cent found it had had a 'strong influence'. Three quarters of the respondents noted EU funding as the reason for this.

The board of each enterprise board normally consists of an independent chairperson and fourteen ordinary members. The ordinary members usually consist of four local authority elected members and a combination of representatives from state organisations, the social partners (i.e. umbrella organisations for the trade unions, employers, farming and NGO sectors) and local business or development organisations. The composition of each board is described in its Articles and Memorandum of Association. Each enterprise board has a chief executive officer and a small number of staff, with the average complement of full time equivalents being four. Budgets range from €686,000 to €1.2 million.

Partnerships

Partnerships (also known as Area Partnerships or Partnership Companies⁶⁰) are independent companies limited by guarantee principally involved in issues related to social inclusion and local community development. A report on their work published by the OECD in 1996 viewed them as 'extraordinarily innovative' and noted the manner in which they, amongst other things, widened participation in processes of change and adapted national policies to meet local need⁶¹.

Each Partnership has Memoranda and Articles of Association. Most were established during the 1991-6 period in areas of disadvantage and with relatively high levels of long-term unemployment, and 83 per cent of respondents stated that the EU had some or a strong influence on their establishment. There are thirty-eight partnerships currently in existence and each has a board of directors drawn at local level from representatives of the social partners, various state organisations and community and voluntary organisations active in economic and social development⁶². Originally, Partnerships did not include local elected councillors but this situation has since been changed to include them. Their work has been underwritten by various national social partnership agreements and more recently the National Development Plan 2000-6. Indeed, their creation followed substantially from the rationale that the success of social partnership at national level could be replicated at local level though the structured organisation of stakeholder groups.

Each Partnership is required to prepare a local development plan to counter disadvantage and to implement that plan. Funding is derived through *Pobal*, a not-for-profit company that manages programmes on behalf of the Irish government and the EU, aimed at promoting social inclusion, reconciliation and equality. Partnerships have evolved significantly in recent years and the National Development Plan 2000-6 also required them to take an active role in tackling issues of social exclusion. Furthermore, many Partnerships are also involved in the delivery of other programmes such as LEADER (below) and Local Employment Service. Survey results show that

⁵⁹ Keyes, J. "Community and Enterprise" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 290

⁶⁰ There are also thirty-one 'Community Partnerships' and two 'Employment Pacts' funded by Pobal but they do not form part of this study.

⁶¹ Sabel, C. *Ireland: Local Partnerships and Social Innovation* (OECD; Paris, 1996)

⁶² Keyes, J. "Community and Enterprise" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 290

35 per cent of Partnerships see co-ordination as their primary function, followed closely by direct implementation of policy (29 per cent). There are significant differences in the size of Partnership companies, with some having as few as five staff to others with as many as seventy. The average staff complement is thirty. Budgets for 2005 ranged from €850,000 to €3.5 million. At time of writing, a process is underway to provide, where possible, a merger between Partnerships and LEADER groups (below) within, again as far as is possible, local authority geographical areas. This process, known as the 'cohesion process' is being directed by the Department of Community, Rural and Gaeltacht Affairs and is designed to provide Partnership companies in all areas of the country. At time of writing, twelve partnership companies operate within LEADER structures.

LEADER Groups

LEADER is an acronym for *Liasons Entre Actions de Développement de l'Économie Rurale* (Links Between Development Actions for the Rural Economy). It is an EU initiative designed to foster rural development at the local level through 'groups', and since 2002 has been supervised by the Department of Community, Rural and Gaeltacht Affairs. It began in Ireland in 1991 with the establishment of sixteen LEADER I groups, and was followed with LEADER II for the period 1994-9. LEADER II witnessed the establishment of thirty-four local action groups and three sectoral bodies, Irish Farm Holidays, Irish Country Holidays and Muintir na Tíre. LEADER + is the third such programme and covers the period 2000-6. It is part-financed by the EU but the exchequer now contributes a significant portion of the overall revenue. However, 90 per cent of respondents stated that the EU still had a 'strong influence' on their organisation's current form. As with its predecessors, funding is channelled through local action groups which have responsibility for implementing business plans drawn up for their area⁶³. A website – the Irish Leader Support Unit – (www.ilsu.ie) also exists to support the LEADER groups in their work.

LEADER groups are private companies and their work includes activities such as the marketing of goods, rural tourism and supporting small firms,

and through the county and city development board structures (below), attempt to work in a co-ordinated manner with other local bodies. Twenty-eight per cent of respondents to the survey noted that their primary task is the direct implementation of policy, while 17 per cent identified promotional (non-commercial) development, 11 per cent commercial development, 11 per cent co-ordination and 33 per cent identified other primary functions such as rural development.

Each LEADER group has a board comprising representatives of local communities, state bodies, local authorities and social partners (which includes farming interests). While there are no ministerial representatives, they also tend to have a representative from the county enterprise board in order to avoid duplication of effort. The membership of the board can change annually. The average staff complement is nineteen and budgets for 2005 ranged from €384,000 to €3.5 million. As noted above, work is currently underway on the creation of a unified structure for the LEADER groups and Partnerships in rural areas.

Regional fisheries boards

There are seven regional fisheries boards. They have their origins in the Inlands Fisheries Trust and Boards of Conservators. As statutory bodies under the 1980 Fisheries Act (amended slightly in 1999), they have responsibility for the conservation, protection, development, management and promotion of inland fisheries in their region. In this regard, two thirds of survey respondents identified regulation as their primary task. The boards are appointed through a combination of ministerial appointment and election by stakeholders as described in the 1980 Act and range from twenty-one to twenty-three members. The average staff size of each fisheries board is forty including a chief executive and a complement of staff involved in administration and outdoor work. The chief executive is recruited through the Public Appointments Service and other staff are recruited locally. Budgets for 2005 ranged from €2.4 to €3.5 million, and the boards tend to raise approximately 20 per cent of their income through licence fees and fisheries rates.

They are supported by and report to the Central Fisheries Board, a national body that advises the

⁶³ O'Sullivan, T "Local Areas and Structures" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 72.

Minister for Communications, Marine and Natural Resources, and the Inland Fisheries, Marine Leisure and Research Division of the department. The regional fisheries boards may have representation on regional authorities or regional assemblies, although the jurisdictions of regional fisheries boards, regional authorities and regional assemblies are not congruent.

Several consultancy reports have been produced in recent years concerning aspects of inland fisheries and the regional fisheries boards⁶⁴. A comprehensive report published in 2005 criticised the manner in which the inland fisheries sector (including the regional fisheries boards) was currently governed and noted that the inland fisheries sector involved a range of private interests and state actors. Apart from the Department for Communications, Marine and Natural Resources, these included the Department of the Environment, Heritage and Local Government, and up to fifteen other state bodies (excluding local authorities)⁶⁵. It recommended that the functions traditionally exercised by the regional fisheries boards be transferred to various departments, existing agencies (such as the Marine Institute) and a new regulatory body. It also proposed that a National Inland Fisheries Authority would employ staff in various regions to carry out its functions rather than there being duplicate independent bodies.

It also advocated that the state should withdraw from ownership in favour of regulated 'community ownership'⁶⁶. The review also recommended the establishment of five statutory 'Regional Consultative and Advisory Councils' to provide input into policy development. It stated that the councils should be 'broadly representative of the totality of the local stakeholder community' and be established on a statutory basis⁶⁷. At time of writing, the regional fisheries boards are still operating and further analysis of the proposed reforms is underway.

Regional tourism authorities

Until their abolition in mid-2006, the regional tourism authorities were public companies limited by guarantee, and with their own memoranda and

articles of association. Originally established by Bord Fáilte (now Fáilte Ireland) in 1964, the companies were charged with the promotion of tourism and related products in their respective regions. They also co-ordinated the work of county tourism committees which existed within their jurisdictions. Membership of the authorities was held by local authorities and members of the tourism industry who paid an annual membership fee which gave them voting entitlements for board members. While eight 'regional tourism organisations' were originally established, this has since been reduced to six and the name regional tourism authority has been in use since 1996. The companies also operate networks of tourist information offices.

As later chapters identify, regional tourism authorities enjoy significant levels of autonomy from both Fáilte Ireland and the Department of Arts, Sports and Tourism. They are financed by Fáilte Ireland (which receives its funding from the department), local authorities, membership subscriptions and revenues generated through some commercial activities. Each regional tourism authority has a board consisting of elected and appointed members, including representation from Fáilte Ireland, with whom they are required to work closely. Unlike many other local and regional bodies, the regional tourism authorities do not have any ministerial nominees on their boards.

While the principal duties of the regional tourism authorities as reported in the survey are the implementation of policy and promotional (non-commercial) development, survey respondents noted that their secondary functions also included commercial development and co-ordination. Unlike the majority of local and regional non-commercial bodies, respondents from regional tourism authorities reported that the EU has had no influence on their current form. The average staff complement is seventy-five full time equivalents, and budgets for those responding ranged from €2.6 to €7 million in 2005.

A consultancy report published in 2005 advocated an enhanced brief for the tourism authorities, with more emphasis on their strategic

⁶⁴ See for example Gap Gemini Ernst & Young *Human Resource Strategy Review: Future State Design Report into the Central and Regional Fisheries Boards* (Dublin: 2001) and Price Waterhouse *Review of the Organisation and Management Structure of the Fishery Service* (Dublin: 1996)

⁶⁵ Department of Communications, Marine and Natural Resources *Review of the Inland Fisheries Sector in Ireland – Stage 1* (Dublin: FGS Consulting, 2005), p. vi

⁶⁶ Department of Communications, Marine and Natural Resources *Review of the Inland Fisheries Sector in Ireland – Stage 1* (Dublin: FGS Consulting, 2005), p. xv

⁶⁷ Department of Communications, Marine and Natural Resources *Review of the Inland Fisheries Sector in Ireland – Stage 1* (Dublin: FGS Consulting, 2005), p. xxii

rather than administrative roles. This has been approved by the minister and at time of writing progress is underway on the establishment of six new Regional Tourism Development Boards⁶⁸ to perform these new functions. During 2006 the regional tourism authorities abolished themselves following acceptance of the restructuring proposals by each board and an EGM of members. The boards' functions and any assets have been assumed by Fáilte Ireland. The new boards will have an independent chair appointed by Fáilte Ireland, two local authority elected representatives, two local authority managers, four tourism industry representatives and one other Fáilte Ireland appointee.

4.5 Co-ordination

As already noted above, non-commercial local and regional bodies in many sub-sectors are involved in co-ordination activities alongside their other functions. However, the primary role of the bodies in two sub-sectors – city and county development boards and childcare committees - are explicitly co-ordinating ones and so are considered together here.

City and county development boards

In 1998, the *Report of the Task Force on the Integration of Local Government and Local Development Systems* recommended closer links between local authorities and local development bodies such as LEADER groups, enterprise boards and Partnership companies (above). As a result, city and county development boards (CDBs) were established in 2000 in each of the thirty-four county and city council areas to provide more coherent delivery of services, as well as to identify and fill gaps in service delivery. CDBs are normally facilitated by the local authority's community and enterprise section. While CDBs have a particular commitment to tackling social exclusion and promoting local development⁶⁹, respondents to the survey noted that they are involved in a very wide range of activities, including training, social services, environment and enterprise. Sixty-five per cent of respondents stated that their primary function is co-ordination.

The boards comprise representatives of local authorities (both elected and administrative), national bodies (such as An Garda Síochána, Enterprise Ireland and FÁS), the social partners, local development bodies (such as LEADER groups, enterprise boards and childcare committees) and various other local non-governmental organisations and charities. All city and county councils now have a 'community and voluntary forum' which provides a network mechanism for community and voluntary groups to nominate their representatives to the CDB, as well as to local authority strategic policy committees, enterprise boards, Partnerships and other local bodies.

In 2002, each CDB adopted its ten-year strategy for 'economic, social and cultural development', which followed a design template created by the Department of the Environment, Heritage and Local Government. The role is also explicitly recognised in national strategies such as the National Development Plan 2007-13, *Towards 2016* and the National Action Plan for Social Inclusion 2007-16. The average number of staff facilitating the work of CDBs is five. City and county development boards do not normally have their own budget but indirectly can control resources ranging from €27,000 to €4 million. The unique nature of city and county development boards is such that many of the survey respondents noted difficulties in giving responses to questions concerning such issues as human resources where they have little if any function.

City and county childcare committees

The final sub-sector to be considered are the city and county childcare committees. There are thirty-three childcare committees, operating in each county and city area (with the exception of Galway County and City which share one such committee). They were established as companies in 2001 and operate as working groups of the city and county development boards. Their role is to advance the provision and co-ordination of quality childcare services through the implementation of five-year strategies. Mirroring this, 74 per cent of survey respondents stated that their primary function is co-ordination.

The boards of management of childcare

⁶⁸ The consultancy report had proposed they be called Regional Tourism Partnerships.

⁶⁹ Keyes, J. "Community and Enterprise" in Callanan, M. and Keogan, J. *Local Government in Ireland: Inside Out* (Dublin: IPA, 2003), p. 292

committees comprise representatives of local and regional state organisations, the social partners, parents, childcare providers and voluntary organisations involved with childcare. The average staff complement is 3.5 full time equivalents and budgets for 2005 ranged from €199,000 to €500,000. The committees received funding under the National Development Plan 2000-6 and 74 per cent of respondents noted that the EU had a ‘strong’ influence on their childcare committee, particularly in terms of funding. Since 2003, childcare committees are formally represented on city and county development boards (above). Their work is co-ordinated by the Childcare Directorate which, since 2005, operates within the Office of the Minister for Children. The directorate had formerly been housed within the Department of Justice, Equality and Law Reform.

4.5.1 The EU and co-ordination at local and regional level

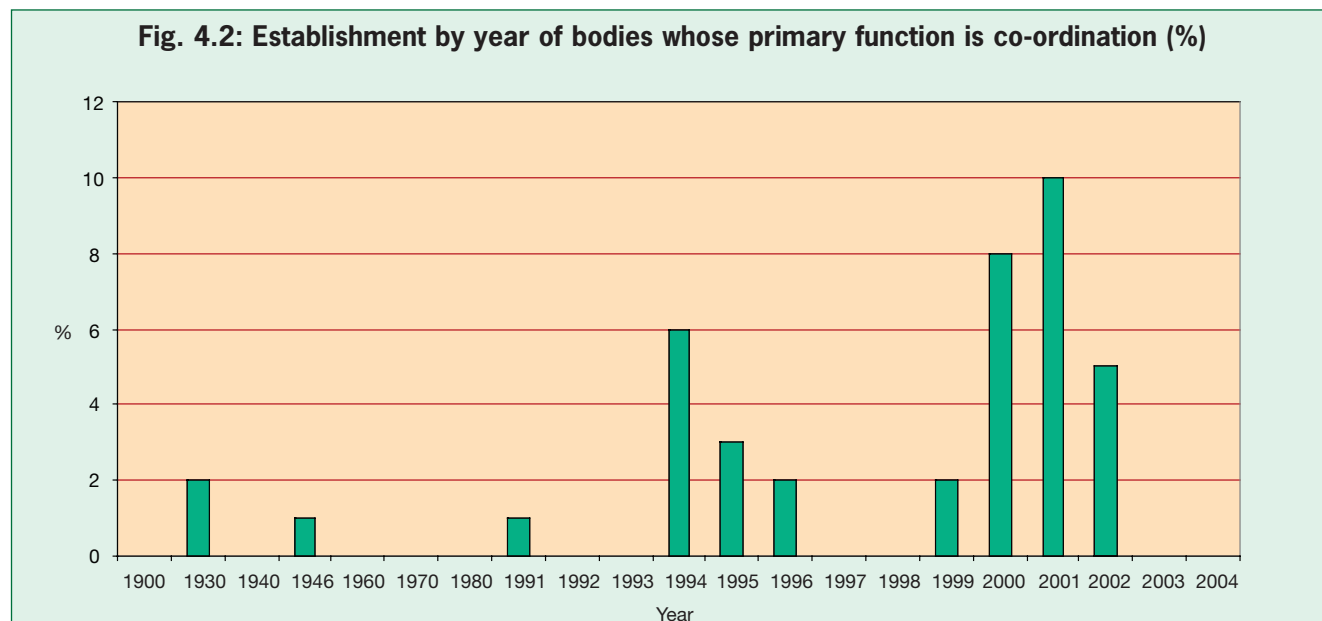
While a wide range of activities are performed by local and regional bodies, they are not necessarily as diverse or specialised as those performed by national bodies. As noted above, while 4 per cent of national bodies consider co-ordination to be their primary function, almost a third of sub-national bodies identified it as their primary function, indicating either a high diffusion of activity at local level, or else a concern over possible duplication of activity. Focusing on the issue of co-ordination as a primary or secondary function, a breakdown by local authority and the other eleven sub-sectors is detailed below, as is the influence of the EU on each organisation’s current form as perceived by respondents.

Table 4.2 demonstrates that co-ordination

Table 4.2: Co-ordination as a function of local and regional bodies

Type of Local or Regional Agency	Co-ordination identified as primary function (%)	Co-ordination identified as secondary function (%)	Yes the EU had a strong influence on the organisation’s current form (%)	Year of establishment (modal response)
Local Authorities	0	15	56	1899
Regional Authorities	67	20	100	1994
Regional Assemblies	0	100	100	1999
Harbour Commissions	17	0	0	1946
Vocational Education Committees	13	13	38	1930
Enterprise Boards	0	13	60	1993
Partnerships	36	36	50	1991-6
LEADER	11	30	90	1994-6
Regional Fisheries Boards	0	0	0	1980
Regional Tourism Authorities	0	50	0	1991
Development Boards	65	20	18	2000
Childcare Committees	74	18	74	2001

Fig. 4.2: Establishment by year of bodies whose primary function is co-ordination (%)



features more strongly for some bodies than others, and there are some commonalities between such organisations. For example, of those organisations which most positively identified co-ordination as their principal task (regional authorities, Partnerships, development boards and childcare committees), all were established since the early 1990s. Figure 4.2 shows that the vast majority of sub-national bodies who identified co-ordination as their primary function were established since 1994.

For the two sub-sectors that responded 0 per cent to co-ordination as a primary function (regional assemblies and regional tourism authorities), it featured strongly as their main secondary function – 100 per cent and 50 per cent respectively. Also, more than half (54 per cent) of organisations other than local authorities noted that the EU had a ‘strong influence’ on their current organisation form. A further 32 per cent reported that the EU had had ‘some influence’ in this regard⁷⁰.

4.6 Conclusions

The fact that much of local authority activity is established in law accounts for the fact that almost three quarters of respondents noted that the primary role of their local authority is the direct implementation of policy. While only 8 per cent identified regulation as their primary role, 39 per cent stated that it is their principal secondary function. The multi-functional role of local authorities is also reflected in the fact that co-ordination, non-commercial promotional development and commercial development also feature in responses. Local authorities must also work in partnership with a significant number of local and regional bodies across various policy fields.

The other eleven (non-directly elected) sub-sectors range considerably in age and function. However, some important patterns emerge. Just as

the study of national non-commercial bodies found a sharp increase in the number of such bodies being established since the early 1990s, so too do the majority (80 per cent) of sub-national bodies date from this period onward. Also, co-ordination emerges as a defining feature of sub-national government in Ireland. Almost one third (32 per cent) of local and regional bodies view co-ordination as their main role, which could indicate either a high diffusion of activity at local level, or else a concern over possible duplication of activity. A further 28 per cent viewed direct implementation of policy as their primary role with another 18 per cent identifying specialist areas of work.

In terms of secondary function, analysis of the norm for the eleven sub-sectors again identified co-ordination as featuring strongly (23 per cent). Other prominent roles for sub-national bodies include the provision of information, advising, the direct implementation of policy and promotional (non-commercial) development.

There is currently considerable institutional reconfiguration at sub-national level, and at least three sub-sectors (harbour commissions, regional fisheries boards and regional tourism authorities) have recently been abolished or are in the process of reform or having their main functions subsumed by other organisations. Many Partnership companies and LEADER groups have also recently been merged, with more to follow. Membership of the EU has also resulted in institutional change at the sub-national level; at least half (54 per cent) of organisations other than local authorities noted that the EU had a ‘strong influence’ on their current organisation form. A further 32 per cent reported that the EU had had ‘some influence’ in this regard. A significant number of sub-national bodies have Articles and Memoranda of Association and interviews suggest that the Code of Practice for the Governance of State Bodies is used extensively.

⁷⁰ For more on the influences of the EU on sub-national government, see John, P. “The Europeanisation of Sub-national Governance” *Urban Studies*, Vol.37 (5-6), 2000, pp. 877-94

5

Autonomy and accountability of non-commercial local and regional bodies in relation to human resources

5.1 Introduction

In this chapter, the autonomy and accountability of the 155 non-commercial local and regional bodies who responded to this survey with regard to human resources is considered. Similar to the study of national non-commercial bodies, the analysis of sub-national bodies reveals considerable variation in average staffing numbers. Between sub-sectors, these range from approximately three full-time equivalents (harbour commissions) to several hundred (local authorities).

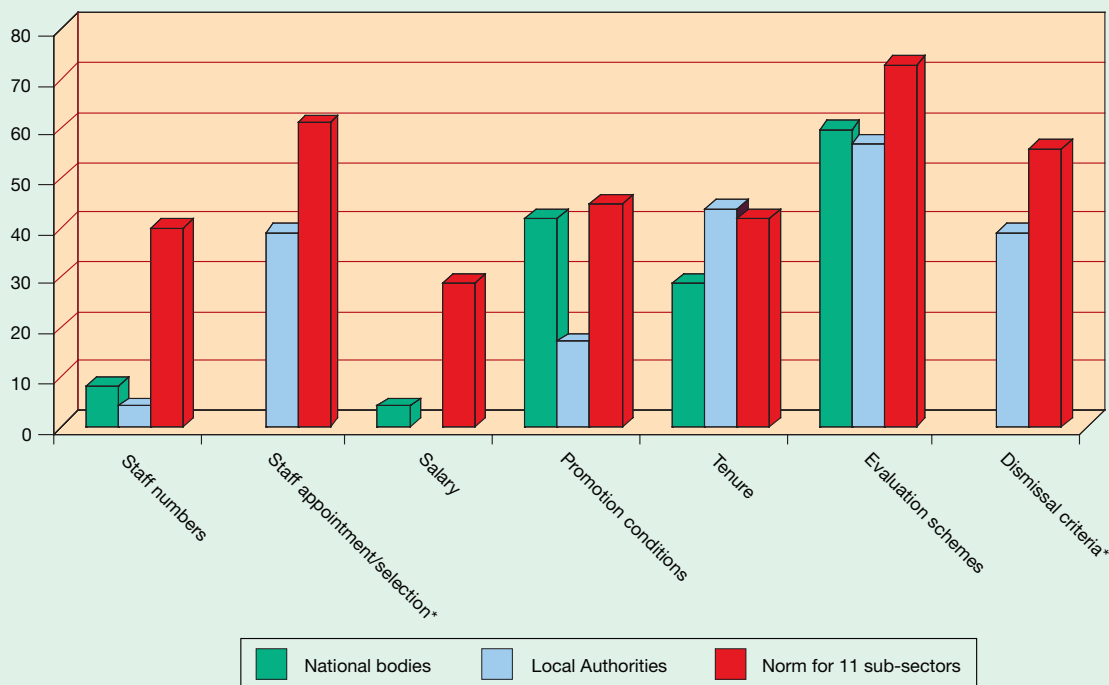
The survey considered two key issues in terms of human resources – the extent to which the bodies had autonomy on strategic HR policy, and autonomy for general HR issues affecting individual staff members such as numbers, appointments,

salaries, promotion, tenure, evaluation and dismissals. The matrices used to perform this analysis are set out in Appendix 3. The issues of strategic HR autonomy for the eleven sub-sectors and the local authorities are examined in the first instance, before consideration of general HR autonomy.

5.2 Strategic HR autonomy: 11 sub-sectors

Figure 5.1 illustrates that the aspect of general HR policy which both national, regional and local organisations are most likely to have autonomy over is establishing staff evaluation schemes. At the other extreme, setting salary level is the single issue

Fig. 5.1: Organisation can set general policy for the following issues without ministerial/departmental influence (%)



*Figures for staff appointment/selection and dismissal are not available for national bodies.

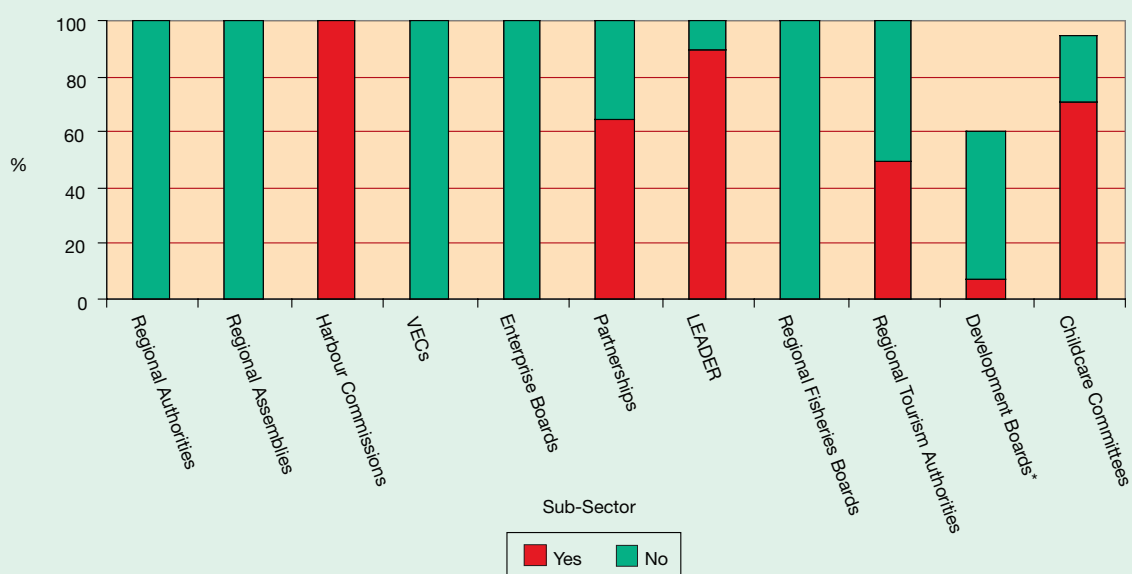
which such bodies are least likely to have autonomy over, due to the centralisation of public sector pay in the Department of Finance. Large variations emerge between national bodies and local and regional bodies (other than local authorities) over deciding on staff numbers. An average of 40 per cent of sub-national bodies reported having autonomy over this issue while the same is true for only 8 per cent of national bodies. In terms of conditions for promotion, national bodies (42 per cent) and other local and regional bodies (45 per cent) have far more discretion than local authorities (17 per cent). Local and regional bodies (42 per cent) and local authorities (44 per cent) also have more discretion over staff tenure than national bodies (29 per cent). Local and regional bodies also have considerable discretion over staff appointment and selection procedures (61 per cent), and dismissal criteria (56 per cent).

Figure 5.1 illustrates that the general HR policy issue that diverges most from the national agencies is the setting of staff numbers. Within the sub-sectors themselves there are considerable variations, as Figure 5.2 illustrates. In general, staff numbers for local and regional bodies are capped by the Department of Finance. LEADER groups, Partnerships, childcare committees and regional tourism authorities reported comparatively high levels of autonomy over the ability to set staff numbers. However, the organisations must exercise financial prudence in doing so and the cost of

employing staff must be met within their budget. The exceptional nature of the founding legislation for harbour commissions means that any staff that are employed (including harbour masters), are technically employed by the commissions themselves. This explains the unusual result in Figure 5.2 for the commissions. HR issues for regional fisheries boards are co-ordinated centrally by a HR director from the Central Fisheries Board. The autonomy enjoyed by regional tourism authorities over the issue is in large part due to the fact that the seasonal nature of tourism also demanded such flexibility over hiring staff.

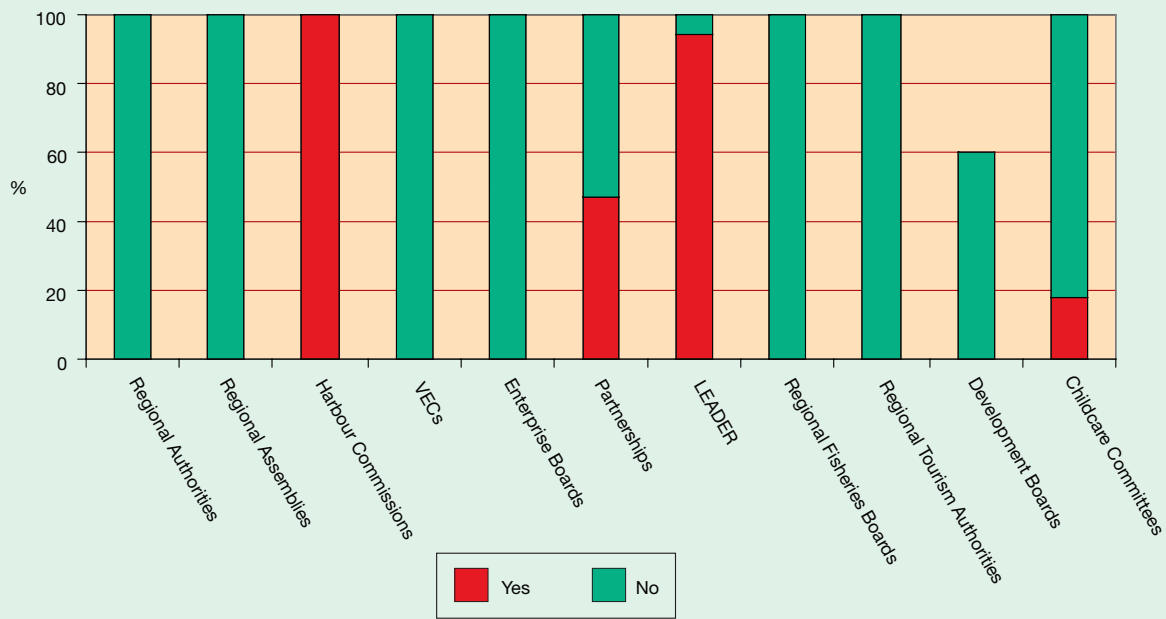
A considerable gap also emerges in respect of the ability of local and regional bodies to set salaries, when compared with national bodies. A detailed analysis of the eleven sub-sectors in Figure 5.3 shows that all the harbour commissions and a sizable percentage of LEADER groups and Partnership companies have autonomy over salaries. As noted above, interviews suggest that LEADER groups and Partnerships are encouraged by the Department of Community, Rural and Gaeltacht Affairs to maintain financial prudence, and to keep within their budget when deciding on salaries. As they are private companies, the terms of social partnership agreements do not as such apply to them in terms of salary increases, although links are increasingly made in relation to the public service modernisation agenda. The autonomy of harbour commissions in this regard is again due to

Fig. 5.2: Staff Numbers: Ability to set general policy without ministerial/departmental influence



* This bar identifies the fact that 40 per cent of city and county development board responses were incomplete

Fig. 5.3: Staff Salary Levels: Ability to set general policy without ministerial/departmental influence



historical reasons. For other bodies with large staffing complements, such as VECs and regional fisheries boards, no local autonomy over salary exists. The Department of Education and Science approves annually the staffing allocations for VECs and terms and conditions are set centrally in conjunction with the Department of Finance.

Combining the questions concerning the overall average level of strategic HR autonomy using the matrix identified at Appendix 3, the following distinctions between sub-sectors are revealed in Table 5.1

Table 5.1 Strategic HR

Level of Strategic HR Autonomy	Sub-Sector
Maximum	Harbour Commissions LEADER groups
High	Partnerships
Moderate	Childcare Committees
Low	Regional Assemblies Regional Tourism Authorities
Minimum	Local Authorities Regional Authorities VECs Enterprise Boards Regional Fisheries Boards Development Boards
None	

While no sub-sector reported having no strategic HR autonomy, quite a number have a limited amount of such autonomy. Two sub-sectors involved in commercial issues, Partnerships and LEADER groups, exhibit high to maximum levels of general HR autonomy. Enterprise boards do not. For reasons described above, harbour commissions also have maximum independence over general HR issues.

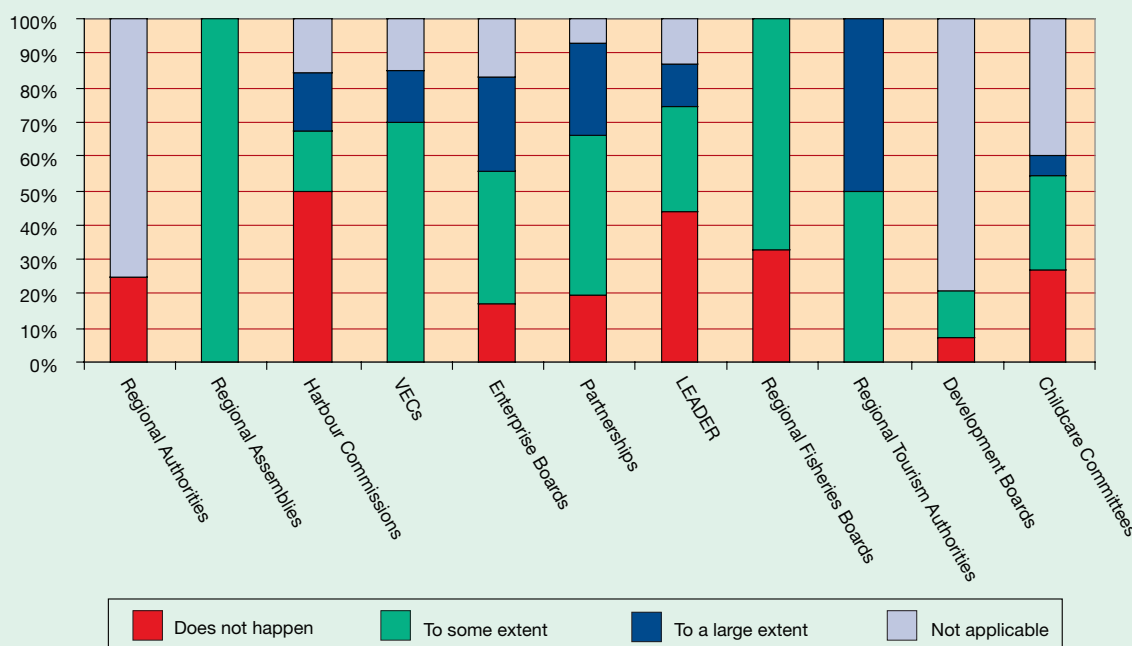
The bodies surveyed were also asked to what extent internal HR management autonomy was extended downwards in their organisation to lower management levels. Twenty-six per cent of local authorities reported that this happened in their organisations ‘to a large extent’, with 70 per cent reporting ‘to some extent’. For the other eleven sub-sectors, the norm is 15 per cent reporting ‘to a large extent’, 36 per cent reporting ‘to some extent’ and 22 per cent reporting not at all. A breakdown by sub-sector is detailed in Figure 5.4.

Regional tourism authorities are the sub-sector where such devolution of authority over HR is most likely to happen, while it also occurred to varying degrees in the other sub-sectors with the exception of regional authorities.

5.3 Strategic HR autonomy: local authorities

Using a matrix (see Appendix 3) for identifying the level of autonomy local authorities have in relation to strategic HR autonomy, it is evident that on

Fig. 5.4: Does the organisation extend management autonomy for HR to lower levels? (%)



average local authorities display minimum levels of such autonomy (see Table 5.1). Local authorities have no discretion in setting general policy for staff numbers, salary levels or conditions for promotion, which are instead established at central level by the Department of the Environment, Heritage and Local Government and the Department of Finance. The terms of the social partnership agreements also play a role in pay-related issues. A minority of local authorities responded that they did have some ability to set policy over staff appointment and selection, tenure and criteria for dismissal. The area where a majority of local authorities do have discretion is in relation to staff evaluation schemes.

5.4 Individual HR autonomy: 11 sub-sectors

In respect of being able to decide on the terms and conditions of individual members of staff without ministerial or departmental influence, Table 5.2 identifies the differences between the various non-commercial local and regional bodies by using the methodology as set out in Appendix 3.

The table reveals that the three sub-sectors most likely to have maximum HR autonomy for individual members of staff are the same as those identified as having high to maximum general HR autonomy (see Table 5.1). These are Partnerships, LEADER groups and harbour commissions.

Table 5.2: HR autonomy for individual staff

Level of HR Autonomy for individuals	Sub-Sector
Maximum	Partnerships LEADER Harbour Commissions
High	Childcare Committees
Moderate	Local Authorities Regional Fisheries Boards Regional Assemblies Regional Tourism Authorities
Low	Regional Authorities VECs Enterprise Boards Development Boards*
None	

*The results for city and county development boards included many 'non-applicable' responses, due to the nature of the boards and their work.

Partnership companies liaise closely with *Pobal* in relation to HR. At the other end of the table, as with autonomy for general HR policy, enterprise boards, regional authorities, VECs and development boards achieved a low score for individual HR autonomy. Local authorities, regional fisheries boards and childcare committees achieved slightly better scores for individual HR autonomy than they did for strategic HR autonomy. While regional tourism authorities had relatively high levels of policy and financial autonomy (below), their HR autonomy is largely decided by a common HR policy with Fáilte

Ireland. Interviews suggest that regardless of their level of HR autonomy, many sub-national bodies tended to liaise with their parent department in order to ensure payment increases under the various social partnership arrangements.

5.5 Individual HR autonomy: local authorities

As Figure 5.5 shows, local authorities have least discretion over the setting of salary levels for individual staff members, with 88 per cent reporting not being able to do so at all. In terms of promotion, however, 44 per cent report that they can decide on this for most individual staff, with a further 26 per cent stating that they can do so for all staff. Forty-four per cent also said they had no say over the tenure of individual employees, and 39 per cent stated that they are able to decide on the appointment of individual staff.

Using the matrix for gauging the levels of autonomy different sub-sectors have over individual HR issues, it is demonstrated that local authorities have a moderate level of autonomy.

5.6 Summary

The norm for the eleven sub-sectors reveals that the aspect of general HR policy which regional and local organisations are most likely to have autonomy over is establishing staff evaluation schemes. Few organisations had discretion over salary levels. Local and regional bodies also report considerable discretion over staff appointment and

selection procedures (61 per cent), and dismissal criteria (56 per cent). Approximately half of the bodies practise some form of internal HR management devolution.

Regional authorities have minimum levels of strategic HR autonomy and low HR autonomy for individual staff. Also, they do not practice internal HR management devolution.

Regional assemblies have low levels of strategic HR autonomy and moderate levels of HR autonomy for individual staff. However, both assemblies use some forms of internal HR management devolution.

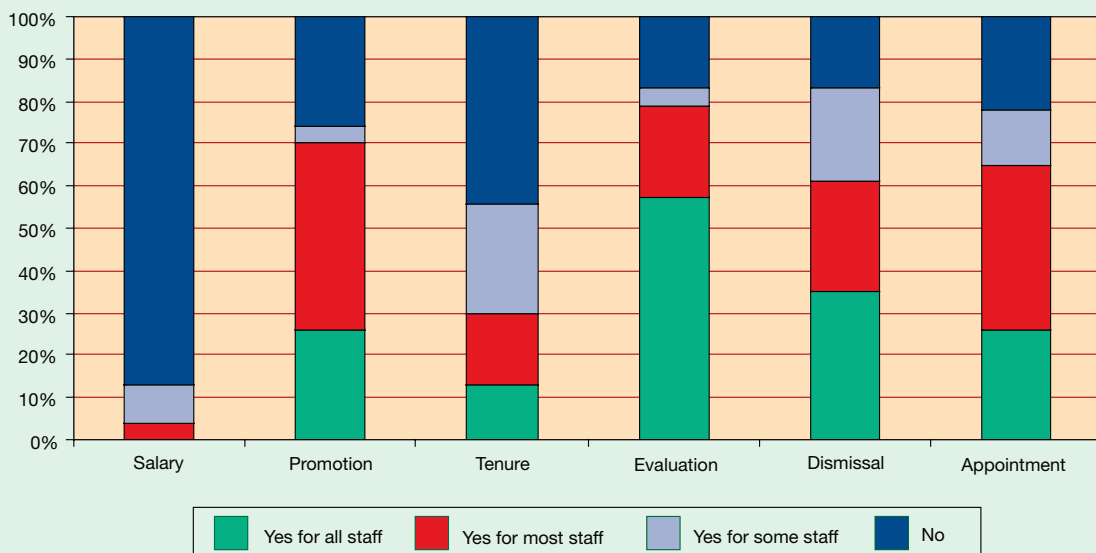
Of all sub-sectors, **harbour commissions** have maximum strategic HR autonomy, including the greatest autonomy over setting staff numbers and salaries as these roles rest with the commissioners themselves. They also have maximum HR autonomy for individual staff, though staff numbers tend to be small.

Vocational education committees have minimum strategic HR autonomy, with no ability to set staff numbers or salary levels, which is instead decided upon centrally. They also have low HR autonomy for individual staff.

City and county enterprise boards also have minimum strategic HR autonomy and low HR autonomy for individual staff.

Partnership companies also report having a high degree of autonomy over the ability to set staff numbers and salaries. Overall, while they liaise closely with *Pobal*, they have high strategic HR autonomy and maximum HR autonomy for individual staff.

Fig. 5.5: Can local authorities decide on the following for individual members of staff? (%)



LEADER groups have maximum autonomy over strategic HR policy, including a lot of autonomy over their staff numbers and salaries, once financial prudence is exercised. They also have maximum HR autonomy for individual staff.

Prior to their abolition in 2006, HR-related issues for **regional fisheries boards** were centrally coordinated by the Central Fisheries Boards, and therefore the boards themselves had minimum strategic HR autonomy and moderate HR autonomy for individual staff.

Reflecting their company-like status, **regional tourism authorities** displayed high levels of autonomy over the ability to set staff numbers. However, they had limitations in respect of other HR issues and overall had low strategic HR autonomy. All of them also practised internal HR management devolution and had moderate HR autonomy for individual staff.

City and county development boards display

minimum strategic HR autonomy and low levels of HR autonomy for individual staff.

A large number of **city and county childcare committees** also reported being able to set staff numbers without ministerial or departmental influence. Combining their results reveals that they have moderate levels of strategic HR autonomy and high levels of HR autonomy for individual staff.

Local authorities display minimum levels of self-reported strategic HR autonomy. Policy on staff numbers, salary levels and conditions for promotion are set centrally for all local authorities. One area where they have discretion is in relation to staff evaluation schemes. Almost every local authority practises some level of internal HR management devolution. In terms of individual self-reported HR autonomy, local authorities have moderate autonomy. Most have discretion in relation to staff promotion, evaluation, dismissal and appointments, but little discretion in relation to salary and tenure.

6

Autonomy and accountability of non-commercial local and regional bodies in relation to financial management

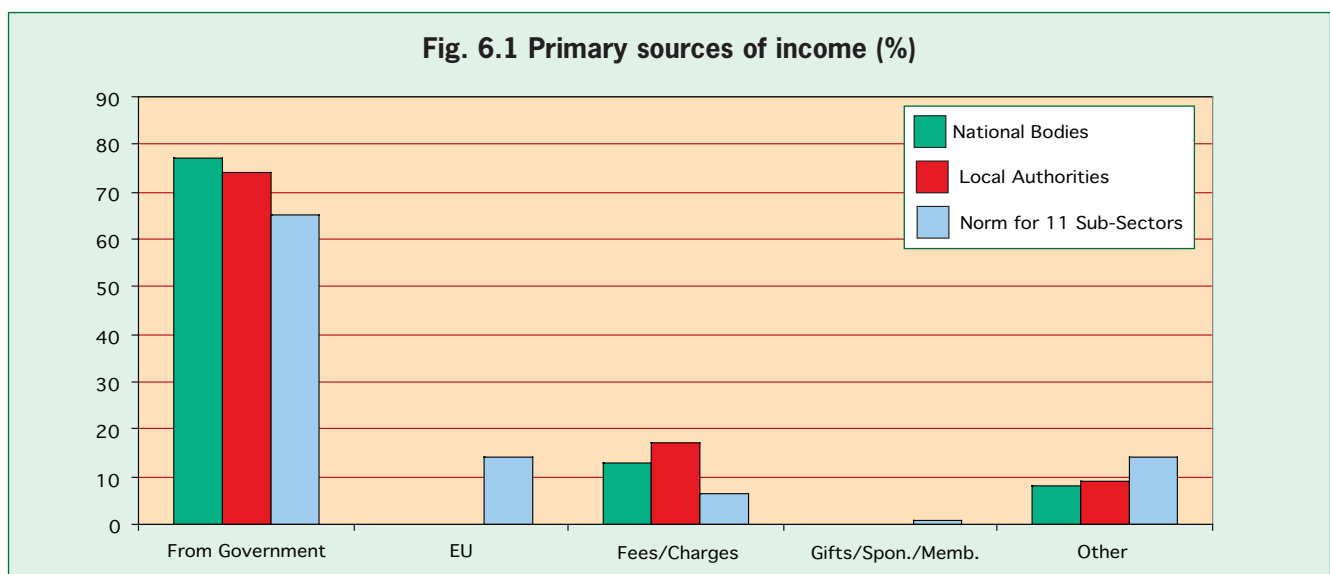
6.1 Introduction

In this chapter, the funding of local and regional non-commercial bodies is considered. As well as identifying the sources of funds for each sub-sector, their financial autonomy and accountability is also considered. In general, non-commercial public bodies depend on sources of funding outside of direct levying of charges or sale of products and services for their survival. While some of the local and regional non-commercial bodies do set charges such as commercial rates (local authorities) or harbour fees (harbour commissions), the primary source of capital and current revenue for the vast majority is central government. This is in contrast to the situation in many EU member states. For example, in 2005, less than 10 per cent of sub-national revenues in Ireland were raised through sub-national taxes, while the EU average was over 42 per cent⁷¹. As detailed below, many local and regional bodies also identify the EU as an important source for their funding, which is normally routed through central government. Financial accountability is a key element of corporate governance

requirements and this chapter also considers the various audit mechanisms employed in this regard.

6.2 Sources of funding: 11 sub-sectors

As noted in Chapter 5, the budgets for local and regional non-commercial bodies range from those who have very small budget allocations to those with a budget of €1.5 billion for 2005. In general, local and regional bodies (including local authorities) do not differ significantly from national bodies in terms of funding sources, as Figure 6.1 demonstrates. The principal deviation occurs in respect of EU funding, with 14 per cent of local and regional bodies (other than local authorities) reporting that the EU is their primary source of income. However, this EU money is channelled through central government. Sixty-five per cent of organisations in the eleven sub-sectors identified their primary source of income as direct allocation from central government, while 77 per cent of national non-commercial bodies did so.



⁷¹ Dexia *Sub-national public finance in the European Union* (Dexia Economic Outlook, November 2006), p. 15.

However, closer examination of the results between each local and regional sub-sector reveals that there can be considerable variation in the primary sources of income (Figure 6.2).

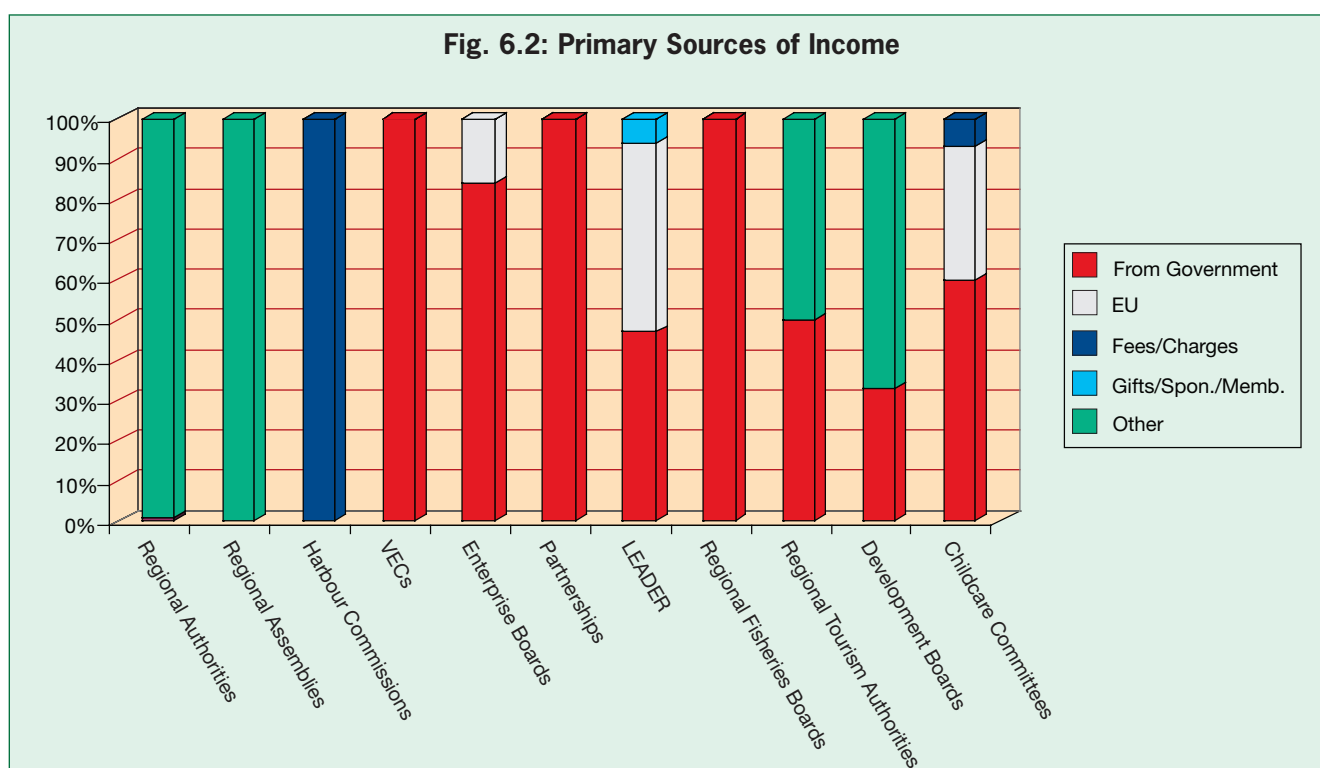
Regional authorities, regional assemblies and city and county development boards receive transfers from local authorities to fund their work. The development boards are also encouraged to seek funding from other state bodies for any initiatives they undertake. For harbour commissions, the primary source of income reported by respondents is berthing fees and tonnage charges, although the amounts levied are controlled by the Minister for Transport (who consults with the Attorney-General before approving new rates). Regional tourism authorities also receive funding from tourism organisations and local authorities. Both LEADER groups and childcare committees report that EU funding forms a considerable part of their income. Enterprise boards in the Border area have access to EU funds such as INTERREG and PEACE, as well as from the International Fund for Ireland. While Partnerships receive their funding from government under the National Development Plan, it is in fact distributed to them by *Pobal*.

The level of discretion afforded to public bodies

in the management of their funds is an important factor in understanding how they perform their work. The study of national non-commercial bodies found that only 1 per cent of them had maximum financial autonomy, while 41 per cent had moderate financial autonomy⁷². Interestingly, this did not reflect the situation in relation to policy autonomy, where 44 per cent of national bodies reported maximum or high policy autonomy in relation to policy instruments and target groups for their work⁷³. The position with regard to local and regional bodies is considered here in more detail.

6.3 Sources of funding: local authorities

Local taxation takes the form of rates on commercial properties. While this forms a large portion of local authority revenue (26 per cent in 2006), local authorities are dependant on central government for income (44 per cent in 2006). Seventy per cent of respondents noted that transfers from central government were their principal source of income. Almost every local authority response identified direct government funding and fees and charges as their primary and secondary sources of income.



⁷² McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p. 90.

⁷³ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p. 154

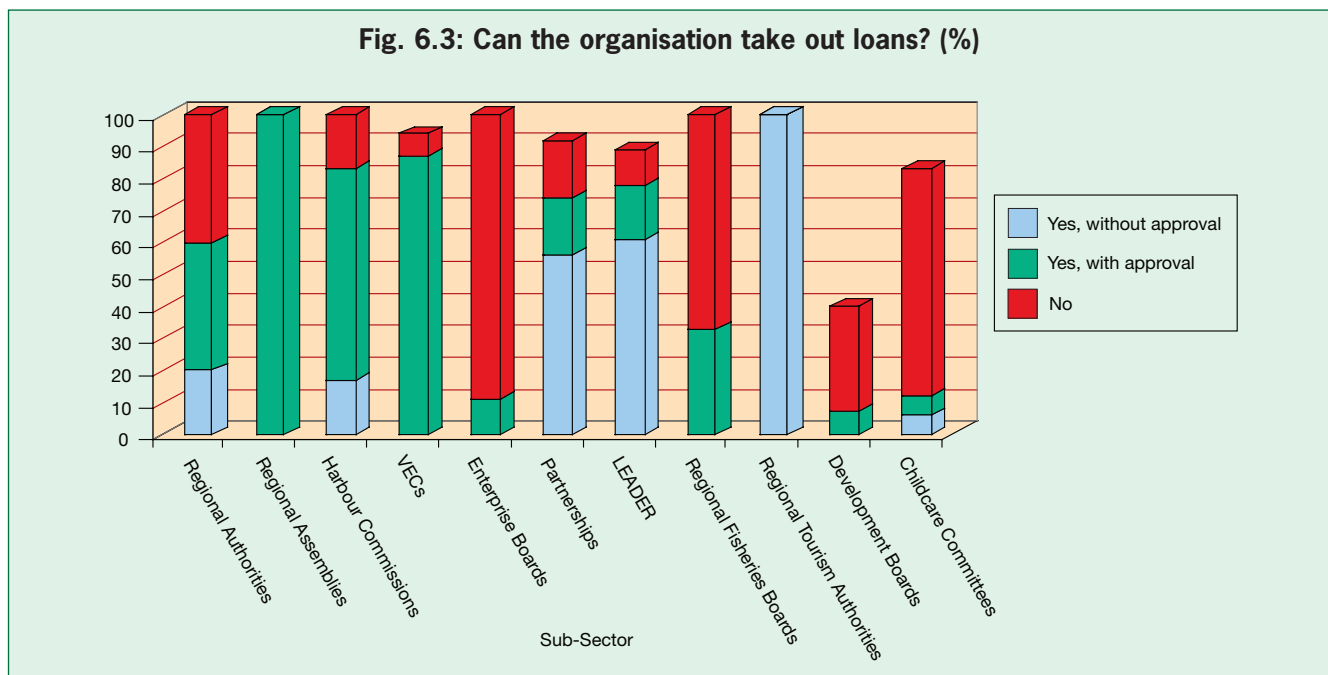
Customer service charges are another source of income for all local authorities. In the case of some urban authorities, commercial rates, fees and charges are in fact the primary source due to the greater number of commercial premises in the authority's jurisdiction. Fees and charges include planning fees, housing rents and development levies.

6.4 Financial autonomy: 11 sub-sectors

For the eleven sub-sectors, there is some variation in the pattern of financial autonomy. Furthermore, mixed responses within some sub-sectors indicate the context-specific nature of this issue. Taking the eleven sub-sectors in total, over a third cannot take out loans, while almost 50 per cent report being able to do so, including those who can only do so with permission from their parent department and/or the Department of Finance⁷⁴. In terms of setting charges, 57 per cent are able to do so either of their own accord or within guidelines set by the minister or his/her department. However, a quarter did not have this power. Almost three quarters of local and regional bodies stated that they could shift budget allocation by function within guidelines, but over half said that they could not do so between years. Disaggregating these figures, the bar charts below exhibit the different results for each sub-sector.

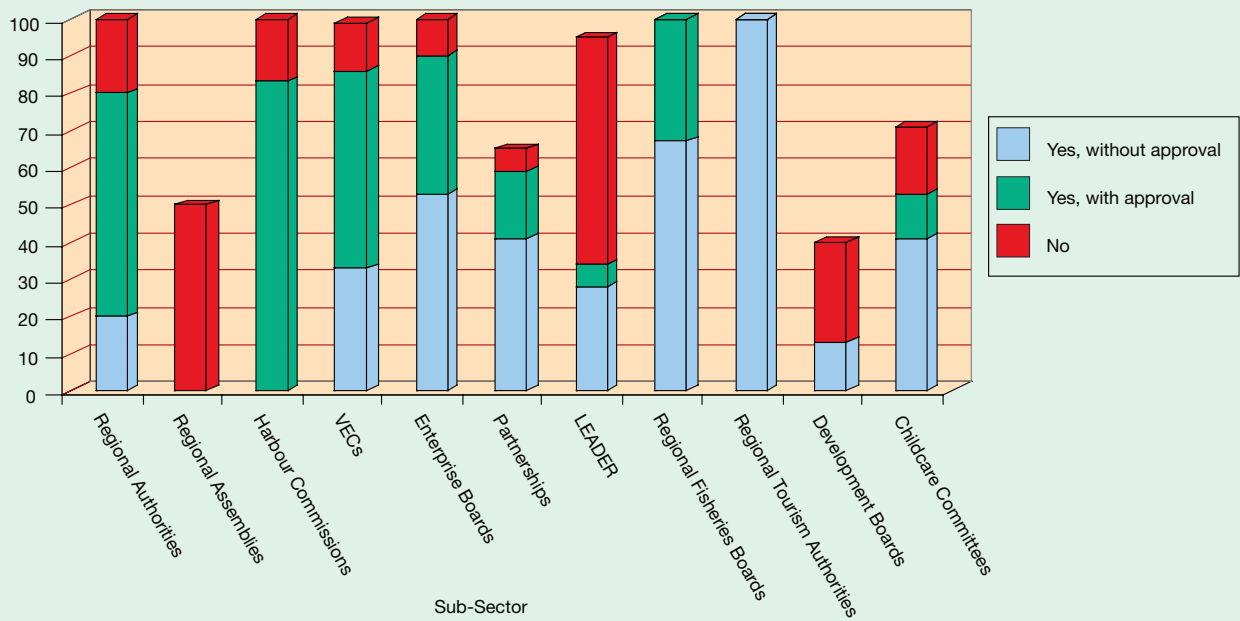
Figure 6.3 illustrates that the organisations with the greatest discretion to take out loans are the regional tourism authorities (100 per cent), the LEADER groups (61 per cent) and Partnership companies (56 per cent). Normally, such loans are subject to board approval and if they are over a certain limit are subject to approval by the Department of Finance. The approval of *Pobal* is normally required for loans taken by Partnerships. Other bodies, such as childcare committees, development boards and regional fisheries boards have little discretion to take them out. The remaining organisations have freedom to act within conditions set by the relevant minister or department.

In terms of setting charges for services, Figure 6.4 reveals that only regional tourism authorities have full discretion to do so, while regional assemblies have none whatsoever. Charging for goods or services does not arise to any great extent for city and county development boards. Regional fisheries boards have a high level of autonomy over charges for their services, although as noted in Chapter 5, the relevant minister sets upper limits to such charges. A substantial percentage of enterprise boards, Partnership companies and childcare committees also reported a strong degree of independence over this issue. For Partnership companies, interviews suggest that their principal charges relate to training courses, which they also subsidise. The same is true for enterprise boards



⁷⁴ For some organisations, particularly city and county development boards, issues such as loans and charges do not arise.

Fig. 6.4: Can the organisation set charges for services? (%)



which have some discretion over the fees they may charge for business training and mentoring programmes. Similarly, some VECs offer special educational programmes at subsidised rates.

Figure 6.5 below identifies that with the exception of harbour commissions and development boards, all sub-sectors have considerable discretion over their ability to shift budget allocations, once it is within limits set by the minister or

department. The results for regional assemblies reflect the fact that while they have discretion to move their administrative budgets, the fact that the implementation of their multi-annual operational programmes is agreed in advance means any movement of funds, either across function or year, must be negotiated with the relevant Departments and the EU Commission.

In terms of shifting budget allocations *between*

Fig. 6.5: Can the organisation shift budget between different functions? (%)

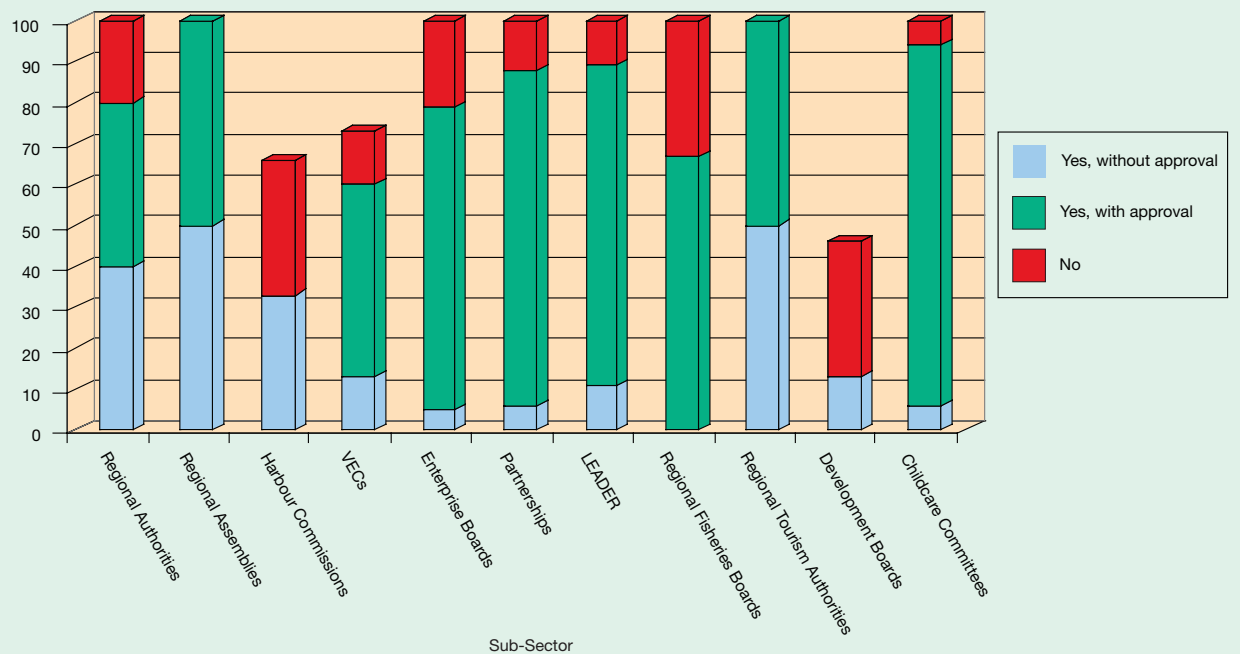
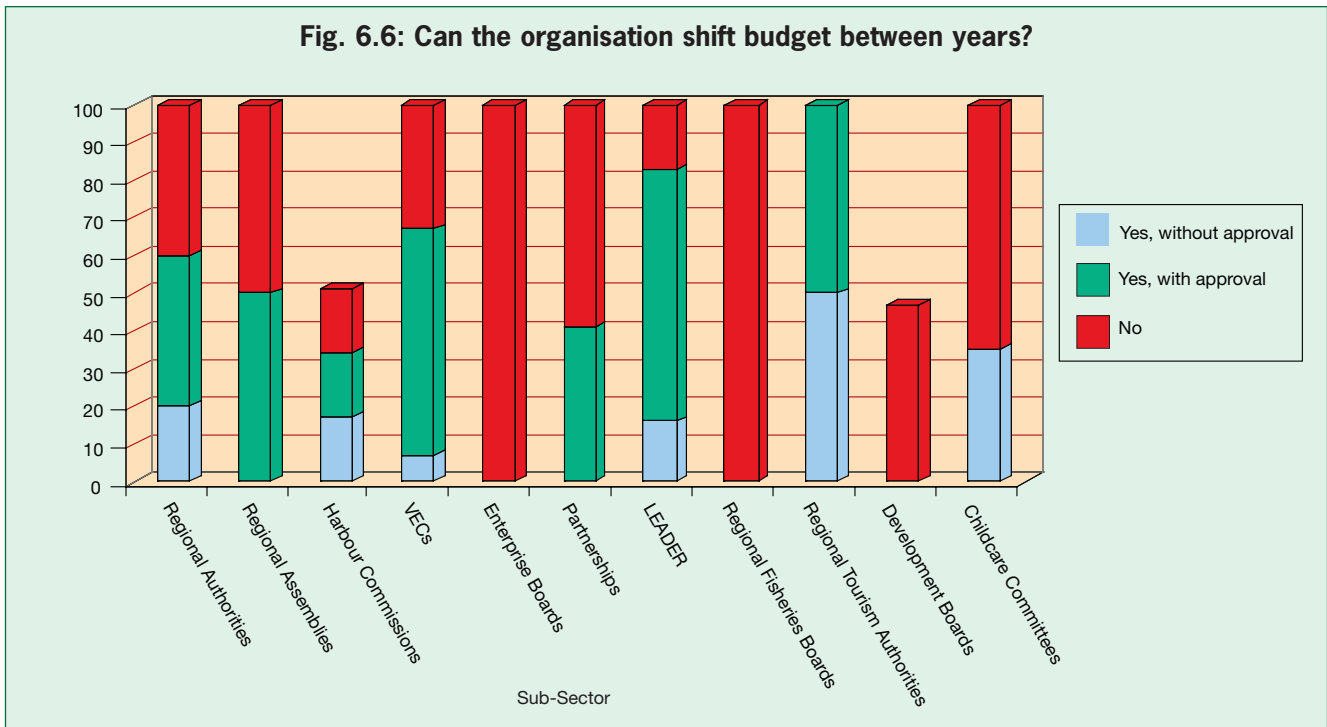


Fig. 6.6: Can the organisation shift budget between years?



years, Figure 6.6 identifies that only one sub-sector – regional tourism authorities – is not prevented to some degree from so doing. A substantial percentage of all other sub-sectors are limited in this regard and several have no discretion whatsoever, including regional fisheries boards and development boards. With the agreement of the Department of Education and Science, some VECs are allowed to carry a surplus forward, in the interest of prudent financial management. However, any deficits incurred are the responsibility of the VEC.

Combining the results shown in Figures 6.3, 6.4, 6.5 and 6.6 (see Appendix 3) identifies varying levels of financial autonomy for each sub-sector, as Table 6.1 depicts.

While no sub-sector has maximum financial autonomy, regional tourism authorities have a high level of control over the raising and use of funds. The high level of financial autonomy contrasts with the low level of strategic HR policy and moderate levels of HR autonomy for individual staff which the tourism authorities had.

The results for local authorities indicate that they have moderate financial autonomy, the same as VECs and the bodies involved in social development – partnerships and LEADER groups. Despite their remit of encouraging local economic development, enterprise boards have little financial autonomy and the Department of Enterprise, Trade and Employment has substantial control over their funding. Enterprise boards that receive funding

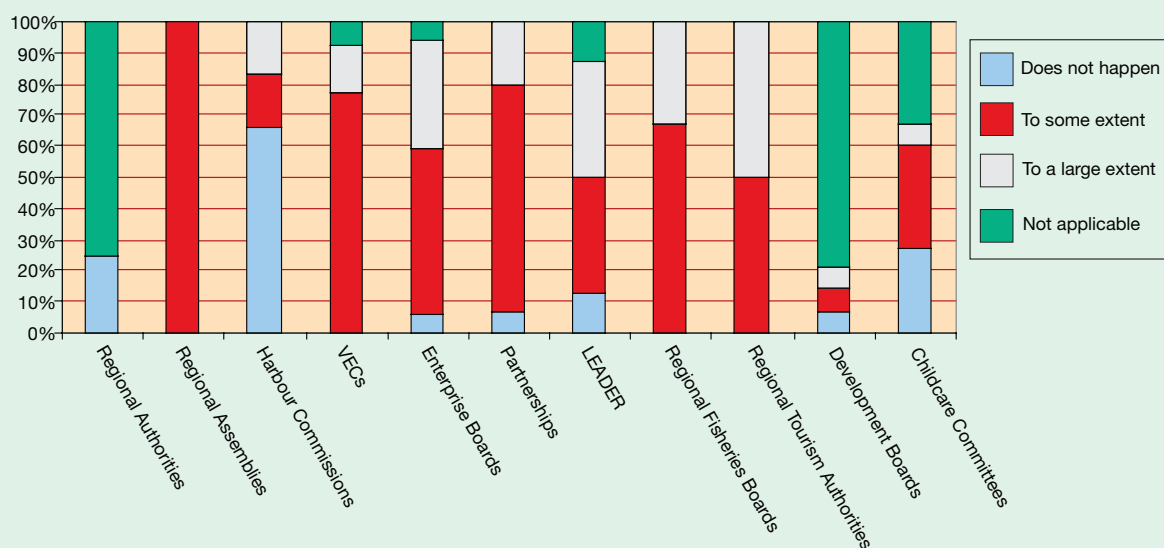
Table 6.1: Financial Autonomy of Sub-Sectors

Level of Financial Autonomy	Sub-Sector
Maximum Financial Autonomy	
High Financial Autonomy	Regional Tourism Authorities
Moderate Financial Autonomy	Local Authorities VECs Partnerships LEADER
Low Financial Autonomy	Regional Authorities Regional Assemblies Harbour Commissions Enterprise Boards Regional Fisheries Boards Childcare Committees
No Financial Autonomy	Development Boards

through INTERREG and PEACE retain some autonomy over the use of these funds.

In terms of extending internal financial management autonomy to lower management levels, all local authorities responded that this happened in their organisations. This has been supported by new financial management systems and the recruitment of professional accountants. For the other eleven sub-sectors, the norm is 21 per cent reporting that such devolution occurs ‘to a large extent’, 45 per cent reporting ‘to some extent’, and 13 per cent reporting that it did not happen. A breakdown of these results by sub-sector is detailed in Figure 6.7.

Fig. 6.7: Does the organisation extend management autonomy for finance to lower levels? (%)



The organisations which are most likely to have management autonomy for finance extended downwards ‘to a large extent’ are the regional tourism authorities (50 per cent), LEADER groups (38 per cent), enterprise boards (35 per cent) and regional fisheries boards (33 per cent). It also occurred to some extent in VECs, Partnerships and childcare committees.

6.5 Financial autonomy: local authorities

Table 6.2 outlines the different responses to questions concerning loans, charges and budgets by national, local and regional bodies. For local authorities, the vast majority of responses reflected the fact that they are empowered to take out loans within conditions set by the relevant minister. This is particularly the case in respect of capital borrowing where EU limits may apply. However, demonstrating the fact that some charges (such as planning fees) are set nationally, while others (such as development levies) are set locally, there is an almost even split in responses concerning the ability to set charges without such approval from the relevant minister. In terms of shifting budget allocations, local authorities can do so across function more easily than between years. Capital budgets are to a large extent determined centrally, and on major budget allocations for nationally important programmes it is also possible for funding to be shifted by the relevant department between local authorities depending on local progress. However, funding for capital projects is now in three-year envelopes and can therefore run over year-on-year in some cases.

Table 6.2: Autonomy of local and regional bodies: financial management (%)

	National Bodies	Local Authorities	Norm for 11 Sub-Sectors
Can the organisation take out loans?			
Yes, fully without prior approval or conditions set by Min/Dept.	3	4	22
Yes, with prior approval or within conditions	34	87	27
No	47	9	38
N/A	15	0	13
Can the organisation set charges for services?			
Yes, fully without prior approval or conditions set by Min/Dept.	42	48	33
Yes, with prior approval or within conditions	28	52	24
No	17	0	24
N/A	13	0	19
Can the organisation shift its budget allocation by function?			
Yes, fully without prior approval or conditions set by Min/Dept.	42	52	11
Yes, with prior approval or within conditions	28	39	61
No	17	9	20
N/A	13	0	8
Can the organisation shift its budget allocation between years?			
Yes, fully without prior approval or conditions set by Min/Dept.	9	22	6
Yes, with prior approval or within conditions	19	30	33
No	59	48	52
N/A	13	0	9

6.6 Audits: 11 sub-sectors

Fifty-three per cent of state bodies in the eleven sub-sectors had an audit committee. Within the sub-sectors, the averages fluctuated between those that had none and those that did for every organisation in their sub-sector, as Figure 6.8 demonstrates. The most common membership numbers for such committees is either four or five, although one respondent noted that their organisation's audit committee had eleven members. Neither regional assemblies nor regional authorities have internal audit committees, but are audited by the Comptroller and Auditor-General's office. Only one development board reported having such a committee, due to the fact that many of them do not have direct control over a budget but instead have

indirect influence over spending in certain areas. Every enterprise board, vocational education committee, regional fisheries board and regional tourism authority has an audit committee. *Pobal* audits the Partnership companies, and is itself audited by the Comptroller and Auditor-General and the Department of Community, Rural and Gaeltacht Affairs.

Leaving aside regional authorities and regional assemblies who have no audit committees, there are differences in the forms of expertise available on the audit committees themselves where they exist. Apart from development boards, most audit committees contain at least one member with audit skills and one member with experience of general management, as Figure 6.9 identifies.

Fig. 6.8: Does the organisation have an audit committee? (%)

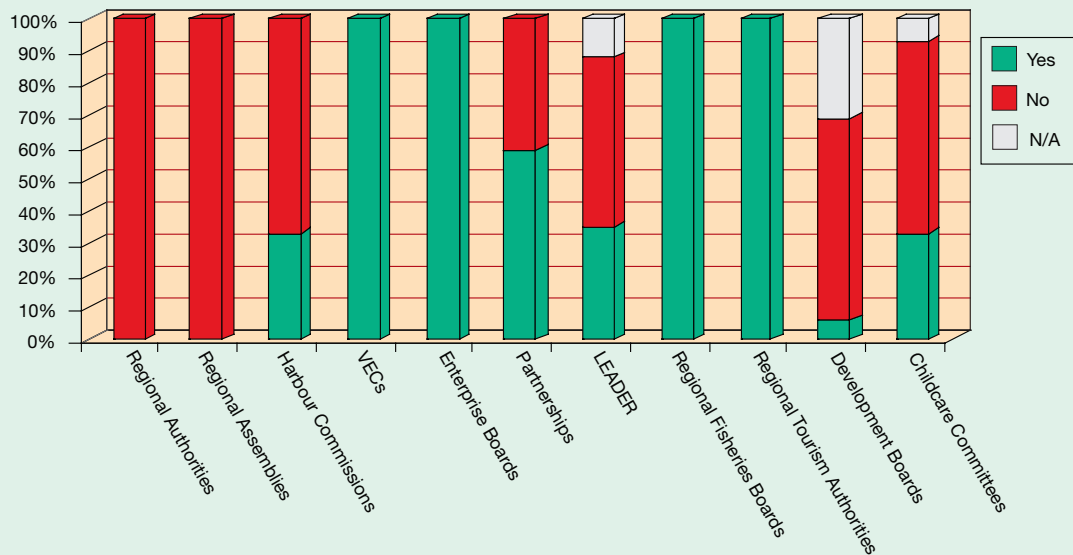


Fig. 6.9 Does the organisation have at least one member of the audit committee with expertise in the following areas? (%)

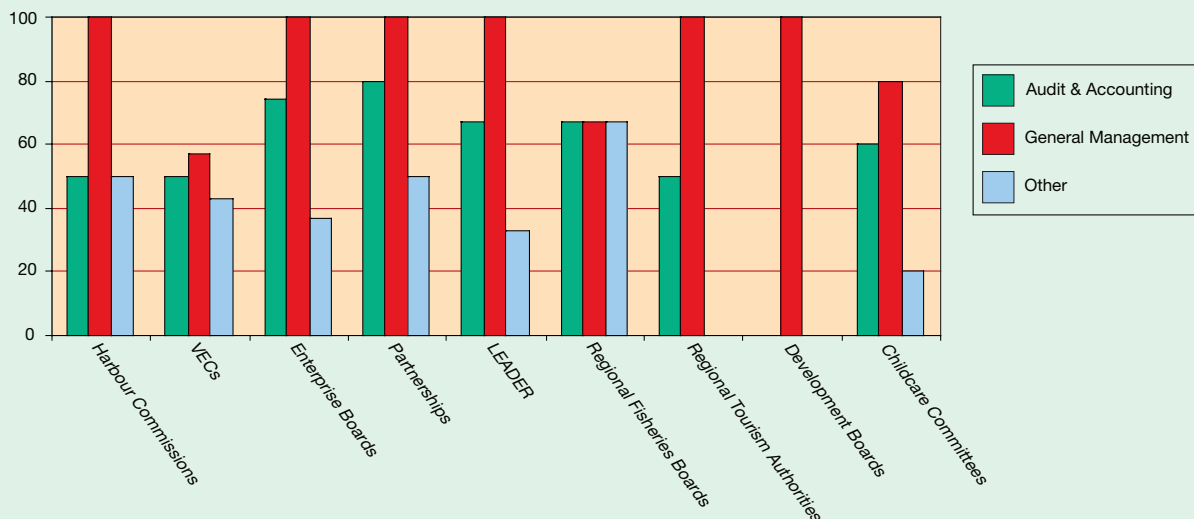
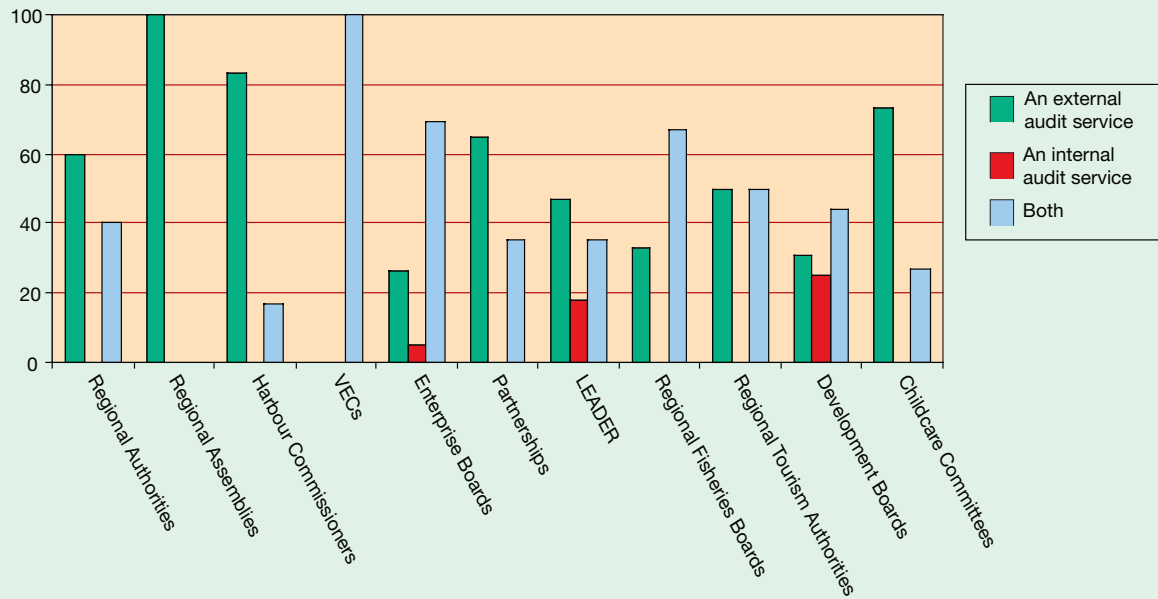


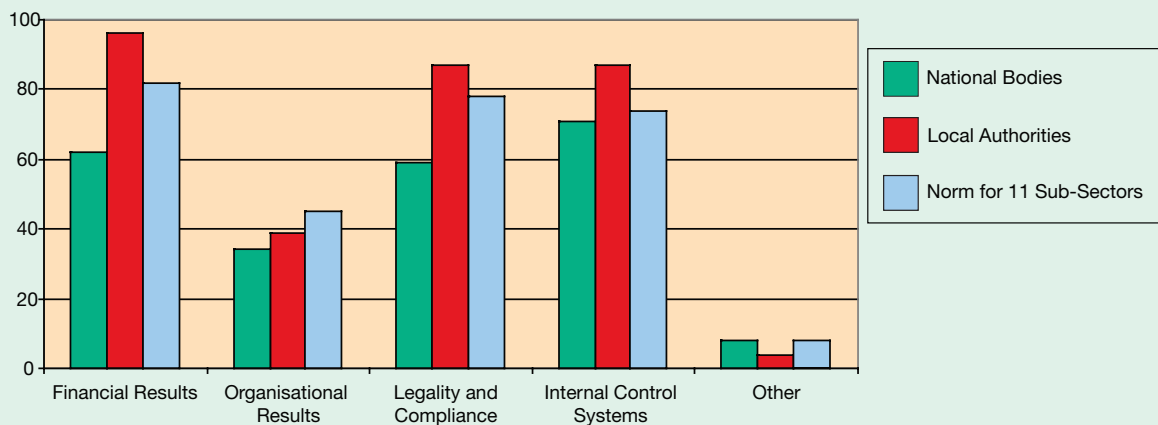
Fig. 6.10 What type of audit service does the organisation use? (%)



Apart from having audit committees, public bodies at local and regional level are also subject to occasional audits. While 12 per cent of national non-commercial bodies reported that they were *not* audited either externally or internally⁷⁵, the corresponding average figure for local and regional bodies is only 5 per cent. Figure 6.10 demonstrates that few organisations relied on internal audit services alone, with an average of 42 per cent across the eleven sub-sectors opting for both an internal and external audit. Interviews identified that where

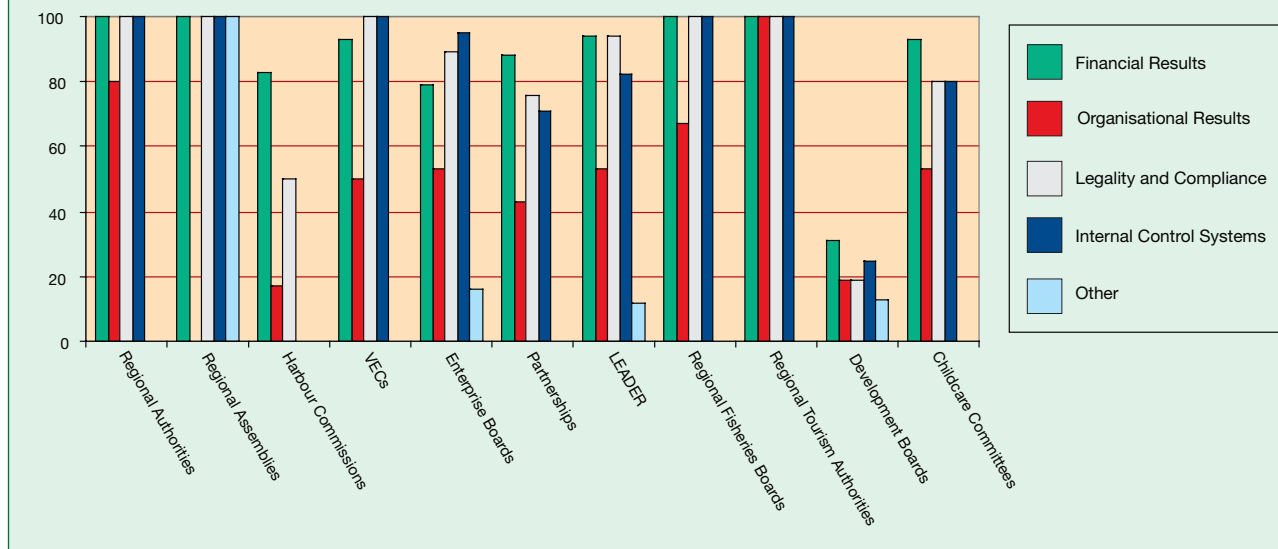
board members do not have sufficient audit experience, it is commonplace to engage external consultants to prepare their annual accounts. Both regional assemblies relied completely on an external audit service, while 83 per cent of harbour commissions, 73 per cent of childcare committees, 65 per cent of Partnerships and 60 per cent of regional authorities did likewise. Many local and regional bodies (excluding local authorities) are also audited by the Comptroller and Auditor-General.

Fig. 6.11 What is audited in the internal or external audit process? (%)



⁷⁵ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p. 103.

Fig. 6.12: What is audited in the internal or external audit process? (%)



Of those national non-commercial bodies which were audited externally, 94 per cent reported that the audit had occurred in the last two years⁷⁶. The corresponding average figure for local and regional bodies is 99 per cent. Looking at what issues are considered in the course of the audits reveals broadly similar results between the national bodies, local authorities and the norm for the eleven sub-sectors, as Figure 6.11 demonstrates. In each field considered (except 'other'), local and regional bodies experience greater auditing coverage than do national bodies⁷⁷. The greatest variation between the categories of organisation occurred over the issues of financial results, and legality and compliance.

Looking in more detail (Figure 6.12) at the issues considered in the internal and external audit processes for the eleven sub-sectors, with the exception of city and county development boards all sub-sectors score positively for audits of financial results and internal control systems. Audits of legality and compliance issues also feature strongly, with the exception of harbour commissions and development boards. Apart from the 'other' category, the greatest variation occurs in respect of organisational results, with results ranging from 17 to 100 per cent, with an overall average of 45 per cent. For both regional assemblies and regional authorities, an external audit is

conducted annually by the Local Government Audit Service. As regional assemblies receive EU funding for several different types of activity, they are subject to a range of national and EU audits covering such other issues as documentation and processes.

Apart from routine internal and/or external audits, local and regional organisations may be subject to ad-hoc audits, organised by themselves, their parent body or another body such as government or the Houses of the Oireachtas. For the eleven sub-sectors outside of local authorities, there is considerable variation as to who sponsored such audits. While at least half of the regional authorities, harbour commissions, vocational education committees, regional fisheries boards and development boards did not experience an ad-hoc audit, very few organisations (9 per cent) carried out such an audit themselves or engaged a consultant to do it (3 per cent). One third of these local and regional bodies are subject to an ad-hoc audit organised by their parent body, and this is particularly true for regional assemblies, vocational education committees, enterprise boards, LEADER groups and childcare committees.

A third of the organisations in the eleven sub-sectors experienced an ad-hoc audit organised by central government. The sub-sectors most frequently experiencing this are the regional

⁷⁶ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p. 103.

⁷⁷ McGauran, A-M.; Verhoest, K & Humphreys, P *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p. 103; Results of National Database Survey.

assemblies, enterprise boards, Partnerships, LEADER groups and regional tourism authorities. Finally, a number of organisations, and particularly regional tourism authorities (50 per cent) and Partnerships (41 per cent) reported having had ad-hoc audits organised by the Houses of the Oireachtas/Comptroller and Auditor-General.

6.7 Audits: local authorities

While every organisation that responded to the survey had a board (or Council), only 13 per cent of local authorities reported having an audit committee⁷⁸. However, the Local Government (Business Improvements Districts) Act 2006 provides for the mandatory establishment of such committees and for widely enhanced functions. Each local authority reported having being audited either by an external body (such as the Local Government Audit Service) or an internal one. All local authorities reported that they had been audited within the last two years and twenty-three value-for-money reports have been published by the Local Government Audit Service in recent years. Local authorities also conducted occasional ad-hoc audits, and 29 per cent have carried out their own internal ad-hoc audit within the last five years. Twenty-nine per cent also reported that such an audit had been organised by the Department of Environment, Heritage and Local Government. Thirteen per cent responded that the government had organised an audit, and 3 per cent had invited an external consultant to conduct a non-routine audit. Twenty-six per cent of local authorities reported that no ad-hoc audits had taken place within this period.

6.8 Summary

The vast majority of local and regional bodies receive their funding from central government. Some do raise their own revenue for current expenditure, including harbour commissions and Partnership companies. The EU is also an important

source of funding for other sub-sectors. Few can take out loans or shift budget by year without ministerial or departmental approval, but can shift budgets by function. Just over half of the eleven sub-sector respondents reported having an audit committee in their boards, but almost all have been audited externally in the last two years. Audits tend to focus more on financial results, legality and compliance and internal control systems, than on organisational results.

For **regional authorities**, the primary source of income is transfers from local authorities, and results indicate that they have low financial autonomy. They have no internal audit committees but are audited by the Comptroller and Auditor-General.

As with regional authorities, **regional assemblies** have low financial autonomy and their primary source of income is transfers from local authorities. Their funding is distributed as agreed under the National Development Plan 7-year framework. Neither have an internal audit committee but the Comptroller and Auditor-General audits them.

Harbour commissions generate their own current expenditure themselves through charges and fees, within limits set by the minister. Overall they have low financial autonomy.

Vocational education committees have moderate financial autonomy and in general budgets are tightly controlled by the Department of Education and Science. All of them have audit committees.

City and county enterprise boards do not have the freedom to take out loans and display low financial autonomy. All of them have audit committees on their boards.

A majority of **Partnerships** responded that they could take out loans without having to seek the approval of the department or minister. However, the approval of *Pobal* is normally necessary. Overall they have moderate financial autonomy.

A large portion of **LEADER** groups' funding is derived from the EU, and they have moderate financial autonomy. A majority of respondents reported that they have freedom to take out loans without departmental approval.

⁷⁸ A report by the Value for Money Unit of the Department of Environment, Heritage and Local Government in 2000 identified shortcomings in local authorities' internal audit procedures and guidelines were published the following year. A review of local government financing published in 2006 also addressed the issue of local authority audit practices and recommended 'changes in legislation to permit councils to appoint outside experienced specialists to audit committees [and] the establishment by all local authorities of audit committees focussed on securing on-going efficiency', *Indecon (2005) Review of Local Government Financing*, Dublin: Department of the Environment, Heritage and Local Government, p. xx. Following the publication of the review, the department published a report advocating the establishment of internal audit committees in all local authorities and drafted a recommended 'Audit Committee Charter' to aid the work of such committees.

Regional fisheries boards had a large degree of discretion over setting charges for services but otherwise had low financial autonomy. Each had an audit committee.

Of all sub-sectors, **regional tourism authorities** had the highest financial autonomy, and could take out loans and set charges as they wished. They received funding from membership fees, local authorities and grants from Fáilte Ireland. They are also most likely to extend financial management autonomy downwards internally and each of them had an audit committee.

Budgets for **city and county development boards** tend to be small and are normally transferred from local authorities. They have no financial autonomy.

City and county childcare committees derive most of their income from EU grants. They have low levels of financial autonomy.

Local authorities have moderate financial autonomy. In the overall, local authorities source some 56 per cent of their current expenditure from local sources (commercial rates 26 per cent; goods

and services 30 per cent), with the remainder being provided by way of government grants/subsidies (23 per cent) and general-purpose grants from the Local Government Fund (21 per cent). For most, money from the Local Government Fund and grants are key sources of revenue for capital and current expenditure, with fees and charges also contributing a significant portion of income. While a minority of councils responded that they had audit committees (a point also noted by the recent Indecon report on Local Government Financing⁷⁹), recent legislative changes⁸⁰ provide that such committees will be established in all local authorities, starting with city and county councils. They are also audited annually by the Local Government Audit Service, which also undertakes value for money evaluations across the local government sector. New financial management systems have also been rolled out, including the introduction of accrual accounting and risk management techniques.

⁷⁹ Indecon Economic Consultants *Review of Local Government Financing*, (Dublin: Department of the Environment, Heritage and Local Government, 2006), p. xx.

⁸⁰ Local Government (Business Improvements Districts) Act 2006, Section 5

7

Policy autonomy and accountability of non-commercial local and regional bodies

7.1 Introduction

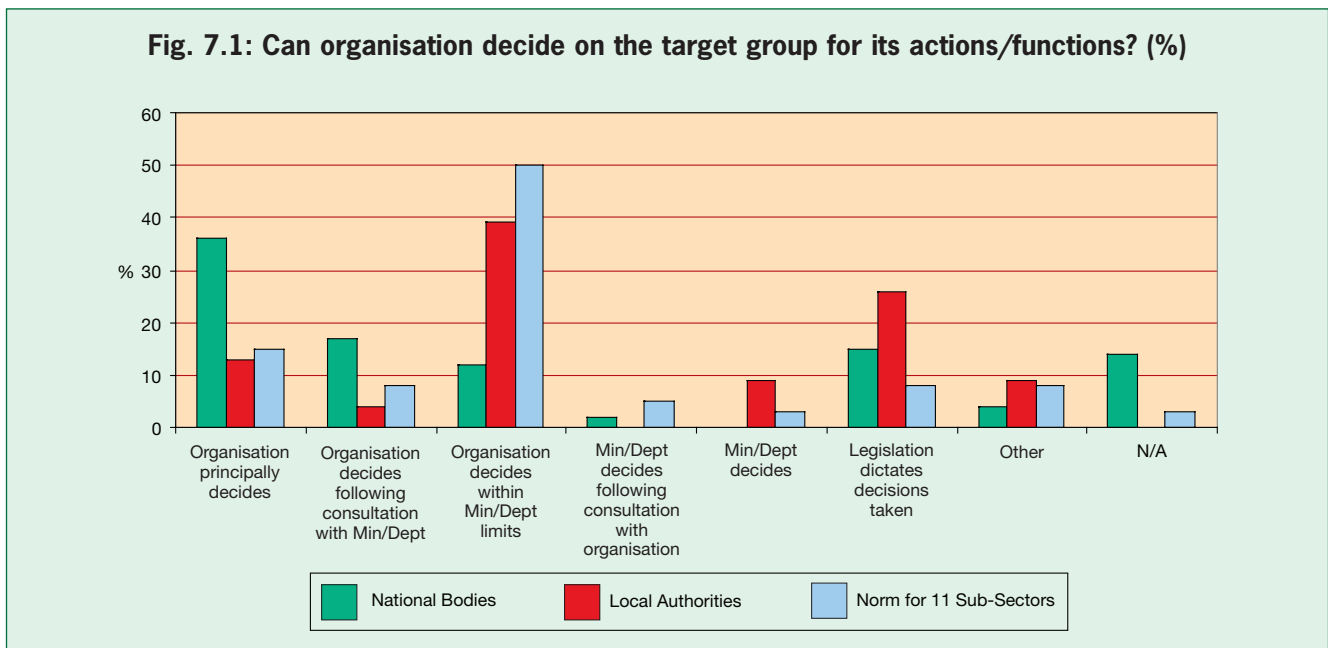
In this chapter, autonomy and accountability for policy amongst local and regional bodies is analysed. The organisations surveyed were asked to detail the level of discretion available to them to decide on the group to which they should direct their activities. They were also questioned about their ability to decide on what they believed to be the most appropriate policy instruments for those activities.

7.2 Deciding on target groups: 11 sub-sectors

For the eleven sub-sectors, the most pronounced areas of difference in comparison with the national bodies occurs in relation to their ability to decide on target groups. Fifty per cent of local and regional bodies have discretion over their target groups,

once that discretion is exercised within ministerial or departmental limits. However, as Figure 7.1 illustrates, only 15 per cent of local and regional bodies have almost complete freedom in deciding on their target groups. While the study of national bodies found that they made important inputs into national policy⁸¹, not least because 23 per cent claimed to provide policy advice, the same independence is not evident for local and regional bodies. Less than a quarter have the ability to pursue their own courses of action in respect of deciding on their target groups, while the majority are obliged to operate within certain constraints, or in some cases are given no discretion at all. For many sub-national bodies, local discretion in the implementation of high-level goals and objectives is tolerated, but drifting outside of agreed or established frameworks is not.

In terms of the ability of local and regional bodies



⁸¹ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p.114.

to decide on the policy instruments necessary to deliver their functions, a similar pattern emerges.

7.3 Deciding on target groups: local authorities

For local authorities, there are also some important differences between their work and the work of national bodies in terms of their ability to decide on target groups. While 36 per cent of national bodies reported that they decided on their target groups, only 13 per cent of local authorities did so. This again reflects the statutory nature of much local authority work. Conversely, while 39 per cent of local authorities responded that they decide on their target group within conditions set by the minister or department, only 12 per cent of national bodies claimed to be restricted in this way.

7.4 Deciding on policy instruments: 11 sub-sectors

The norm for the eleven sub-sectors of local and regional bodies demonstrates that the biggest difference when compared with national bodies is in respect of ability to decide on policy instruments. Figure 7.2 illustrates that only 13 per cent of the organisations in the eleven sub-sectors enjoyed discretion to decide themselves on the appropriate policy instruments necessary to conduct their work. However, interviews suggest that changes in policy tend to be agreed in consultation with parent departments, and that once such changes are within statutory frameworks

there is normally little difficulty. Reflecting this, while only 17 per cent of national bodies are bound in their decisions on policy instruments by ministerial or departmental limits, 52 per cent of sub-national bodies must take these limits into account.

Focusing on the response ‘organisation decides within min/dept limits’, which is the most common response to both the issue of selecting a target group and choosing policy instruments, Figure 7.3 illustrates the variations within the eleven sub-sectors. The sub-sectors most likely to have to act within departmental limits are the harbour commissions, LEADER groups, enterprise boards and VECs. In the case of enterprise boards, the Department of Enterprise, Trade and Employment establishes high-level targets and principles which are then interpreted locally by the boards. Regional tourism authorities are not constrained to any significant degree on either issue by their parent body. This reflects the fact that they are largely independent of the Department of Arts, Sports and Tourism and Fáilte Ireland.

Similarly, many city and county development boards enjoy a large degree of discretion over deciding on target groups (47 per cent) and policy instruments (40 per cent), and so in Figure 7.3 a relatively low number report being constrained by the Department of Environment, Heritage and Local Government. Only 40 per cent of regional authorities reported having discretion over these functions. Regional fisheries boards, on the other hand, had both their target groups and policy instruments established by other means –

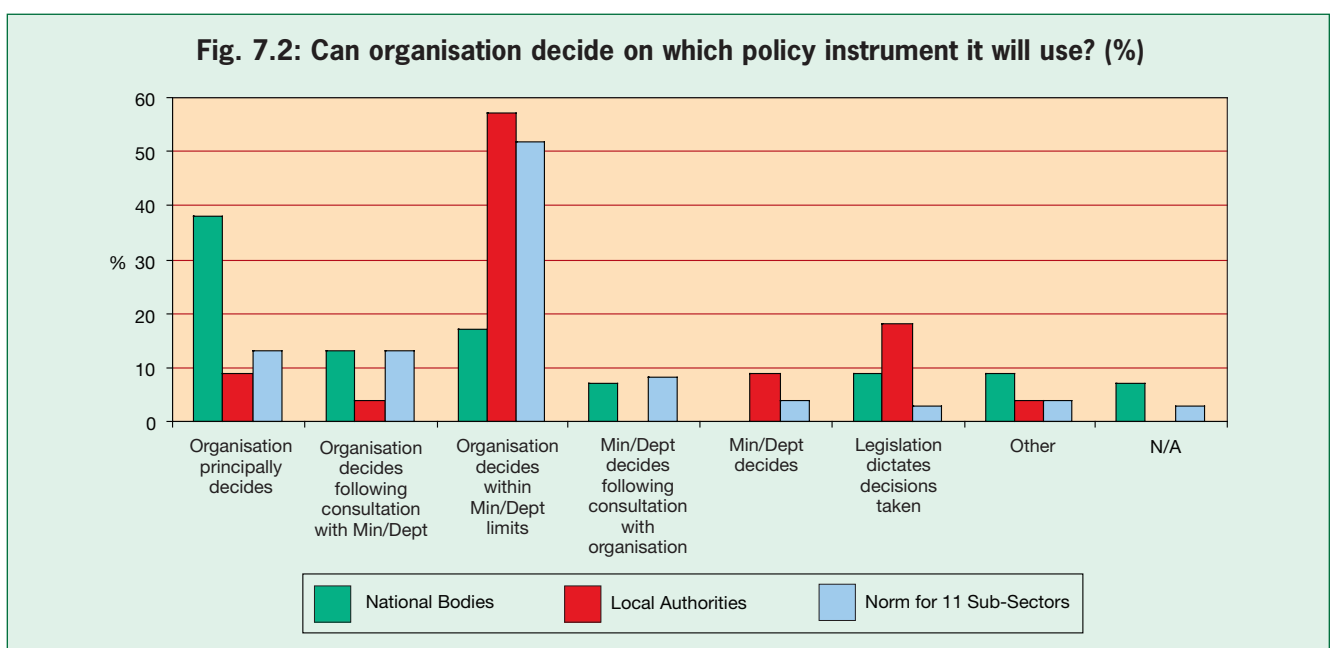
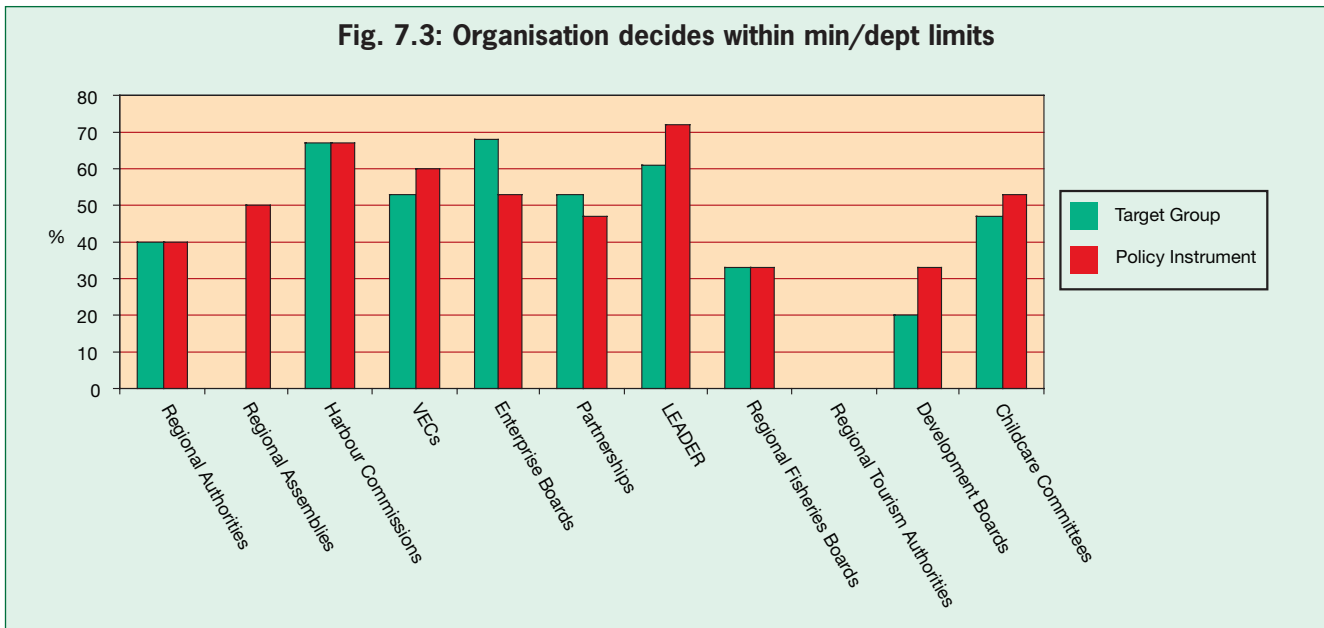


Fig. 7.3: Organisation decides within min/dept limits



principally legislation. The fisheries boards also operate a range of bye-laws and ministerial approval is necessary for amendments or the introduction of new such laws. The regional assemblies have their target groups set out in their Regional Operational Programme.

Using a matrix for policy autonomy (see Appendix 3) based on the results in Figures 7.1 and 7.2, the following Table (7.1) identifies on a scale the variations on policy autonomy emerging between the sub-sectors.

Table 7.1: Policy autonomy

Level of Policy Autonomy	Sub-Sector
Maximum	Development Boards
High	Regional Assemblies Regional Tourism Authorities
Moderate	Local Authorities Regional Authorities Harbour Commissions VECs Enterprise Boards Partnerships LEADER Regional Fisheries Boards Childcare Committees
Low	
Minimum	
None	

Interestingly, while regional tourism authorities achieve a ‘high’ level in terms of policy autonomy, interviews suggest that many felt they had little

input into policy formulation at a higher level in respect of tourism. This is recognised in the fact that one of the reasons the new regional tourism development boards have been established is to provide for greater input by the regions into tourism policy.

7.5 Deciding on policy instruments: local authorities

For local authorities, one of the biggest areas of deviation from national bodies concerns the ability to independently decide on policy instruments. Only 9 per cent of local authorities reported that they decide on their policy instruments themselves, compared to 36 per cent of national bodies (Figure 8.2). Also, 57 per cent of local authorities are bound in their decisions concerning what they believe to be appropriate policy instruments by ministerial or departmental limits.

7.6 Types of strategy documents: 11 sub-sectors

Once target groups and policy instruments have been decided upon, it is necessary for organisations to have a means of reporting on the implementation of policy. The survey asked respondents to identify whether or not they produce documents which consider such issues as strategy, investment and financial targets. Another question asked how successful the organisation has been in achieving its goals in respect of these issues. Figure 7.4 shows that broadly similar patterns emerged between

national bodies and local and regional organisations in terms of producing reports for government detailing planned strategy and objectives. For planned investment reports, the norm for the 11 other sub-sectors is 56 per cent, again higher than for the national bodies. Local and regional bodies are also more likely than national bodies to produce reports on planned financial and non-financial targets.

Looking in more detail at the figure for planned investment for local and regional bodies, only two of the five sub-sectors identified in Chapter 4 as

‘Promotional and Developmental’ organisations – enterprise boards and LEADER groups – have notably high positive response rates (Figure 7.5). Interviews corroborate that LEADER groups submit regular business plans, although the average investment in projects is relatively small at €20,000. The other sub-sectors – Partnership companies (58 per cent), regional fisheries boards (50 per cent) and regional tourism authorities (50 per cent) – include a substantial proportion of organisations that do not report in advance on planned investment. Regional assemblies have

Fig. 7.4: Does a document go to government specifying the following? (%)

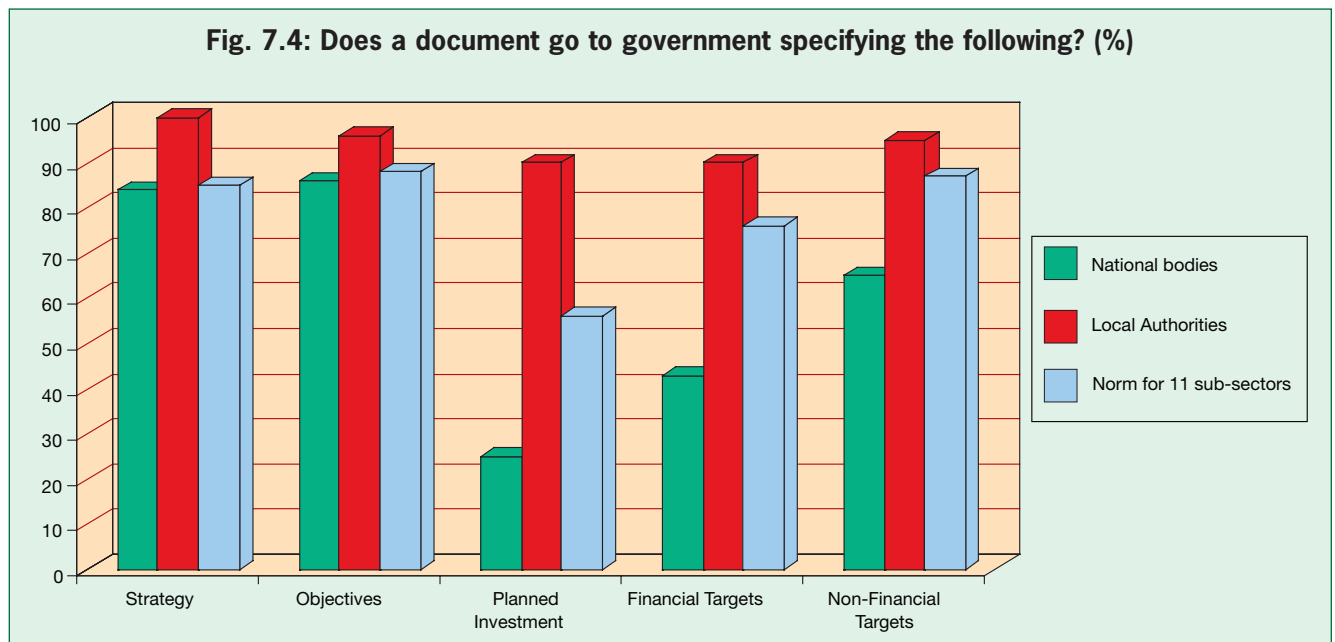
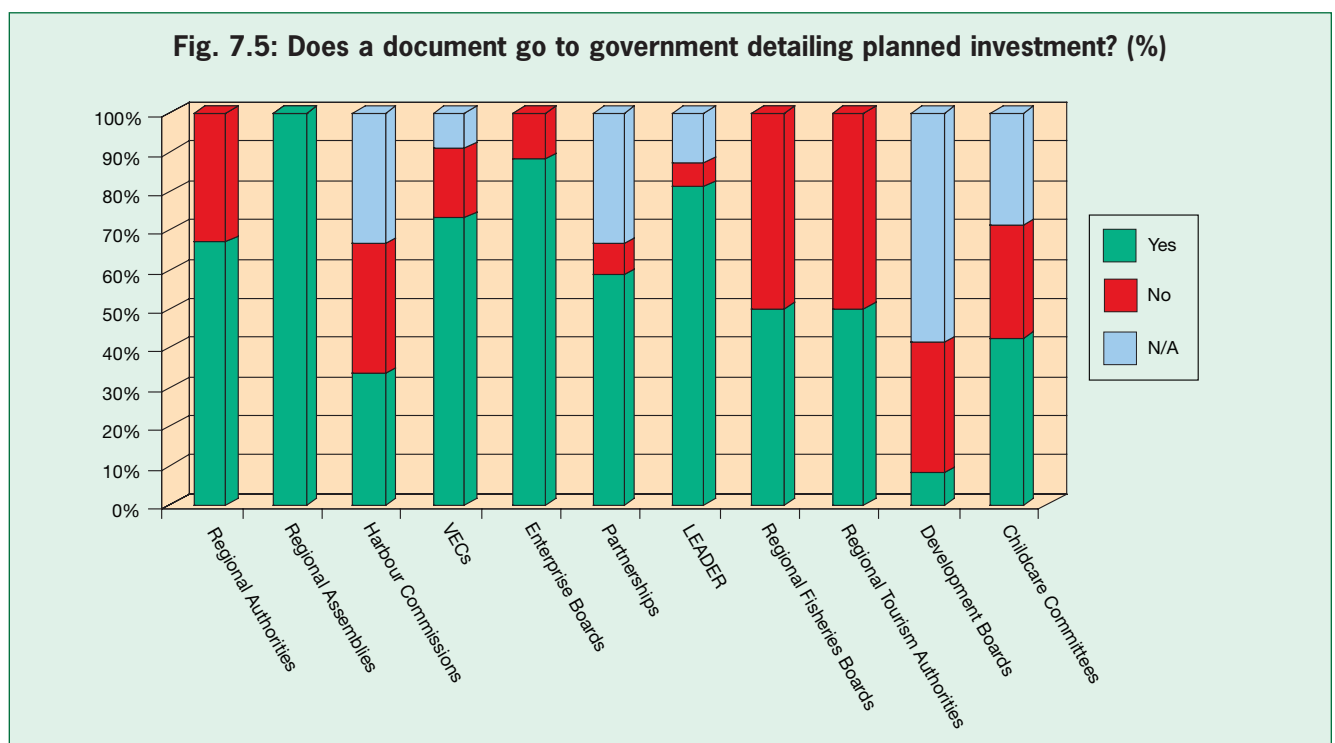


Fig. 7.5: Does a document go to government detailing planned investment? (%)



operational programmes which detail proposed investment across a range of areas. In many sub-sectors, including harbour commissions and development boards, capital investments tend not to arise in the course of the organisation's work. For Partnerships, any investment plans must receive city/county development board endorsement as well as the support of *Pobal*.

In general, where sub-national bodies are embarking on capital investments, appropriate business plans are required. For VECs, the 2001 Vocational Education (Amendment) Act requires each committee to create a five-year plan as well as annual service plans which are submitted to the Department of Education and Science. Also, some organisations have their investments funded as part of the National Development Plan. Several organisations, particularly city and county development boards, are not involved in investments and therefore such documentation does not arise.

For the eleven sub-sectors, the use of multi-annual business plans varies substantially, with 21 per cent stating they did not use them, 23 per cent stating they used them 'to some extent' and 32 per cent stating 'to a large extent'. There are also sub-sector specific arrangements. For example, regional assemblies operate within a 7-year framework as established under the National Development Plan, and report annually on their progress. Regional authorities have a 'designated manager' from one of the local authorities within their jurisdiction, with

whom they discuss progress and future plans. A more detailed breakdown by sub-sector is given in Figure 7.6 below.

In the case of regional fisheries boards, while a multi-annual business plan does not arise in the context of proposals to the boards, they do produce annual business plans which are agreed with the department.

7.7 Types of strategy documents: local authorities

As Figure 7.4 (above) illustrates, a much larger percentage of local authorities (90 per cent) produce reports on planned investment than national bodies. This is because such plans are required by the Department of Finance in order to ensure National Development Plan funding is secured. Furthermore, 52 per cent of local authorities also reported that the use of multi-annual business plans occurs 'to a large extent' in their organisation, while a further 44 per cent said that this happened 'to some extent'.

7.8 Reporting on work done: 11 sub-sectors

Reporting on work done in document format is a central part of the accountability regime of local and regional bodies to central government, as well as to the public. Organisations were asked about their reporting on how successful the organisation

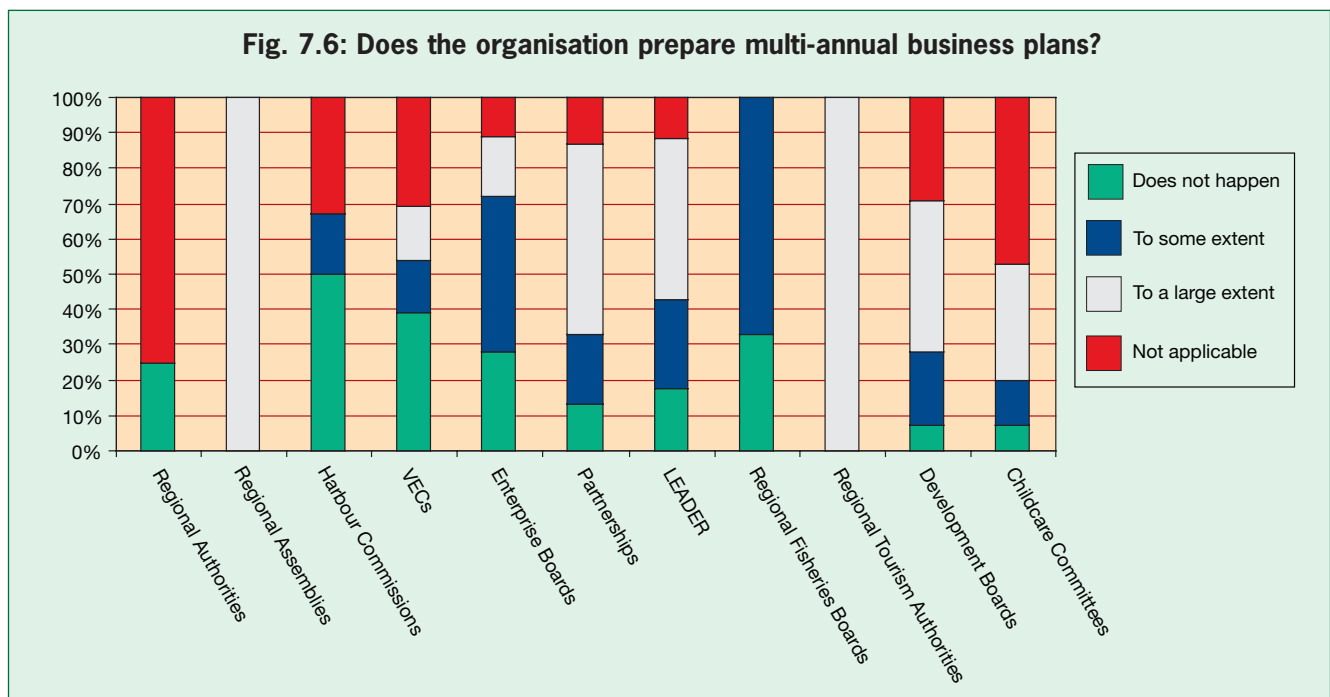
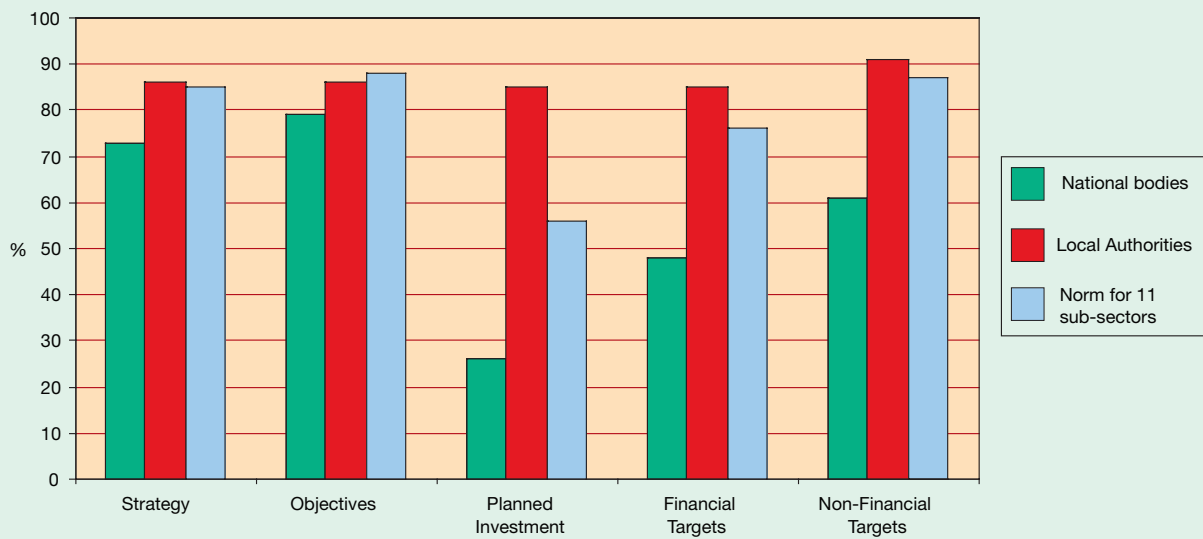


Fig. 7.7: Does the organisation report in a document on how it has delivered on the following? (%)

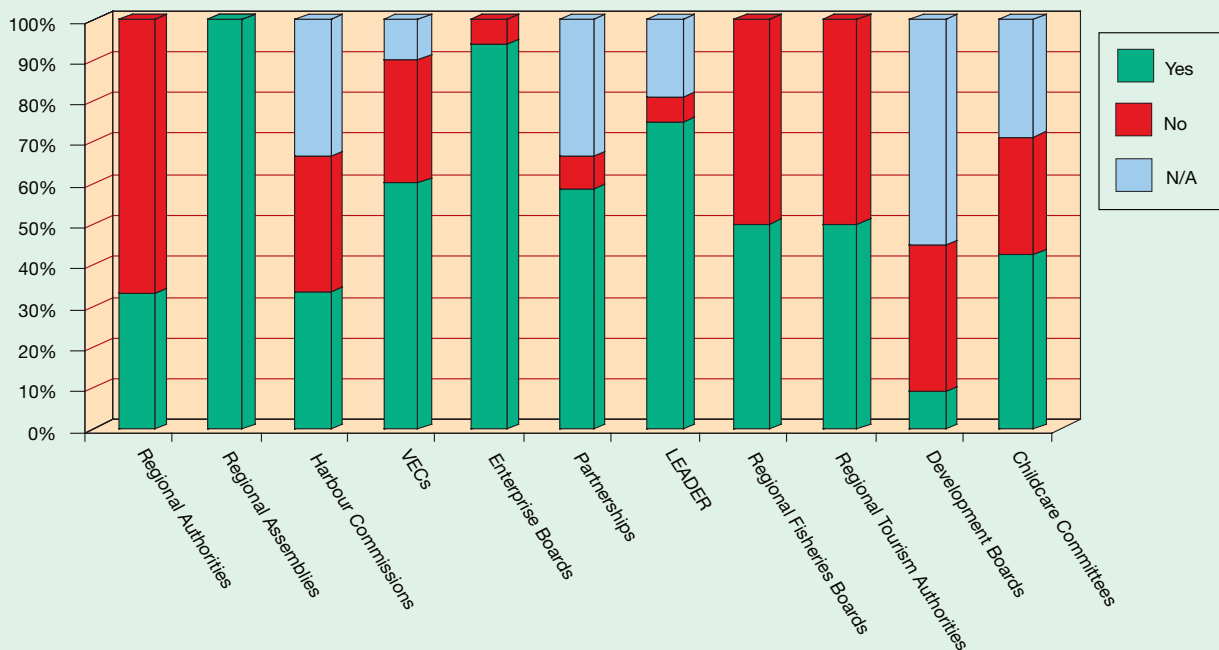


has been in achieving its targets, objectives, planned investments, financial and non-financial targets. For all local and regional bodies, Figure 7.7 demonstrates that the combined average result is higher than for national bodies across all five issues. While results for reporting on strategy and objectives is broadly similar, larger differences opened up when comparing results for reporting on planned investment, financial and non-financial targets.

As with Figure 7.4, the issue of planned investment reveals the greatest disparity between

local authorities, national bodies and the norm for the other eleven sub-sectors. A closer examination of the responses by the eleven sub-sectors (Figure 7.8 below) reveals a broadly similar pattern to the results on advance reporting (Figure 7.5). Given their role in promoting commercial development, reporting by Partnership groups (58 per cent) is somewhat lower than it is for enterprise boards (94 per cent) and LEADER companies (75 per cent). Nonetheless, interviews suggest that Partnerships produce both annual and interim reports for *Pobal*, and that for Parliamentary Questions, the

Fig. 7.8: Does the organisation report in a document on investment targets? (%)



Department for Community, Rural and Gaeltacht Affairs can easily access information as required. VECs also show some variation between the number who report on achievement of planned investment (60 per cent) and those who do not (30 per cent). Interviews suggest nonetheless that there is significant central control over the building of new schools and other educational establishments with which the VEC may be involved. Regional assemblies must present an annual implementation report to the EU Commission which details progress on their work, including investment targets.

An average of 89 per cent of local and regional bodies also produce annual reports. As Figure 7.9 illustrates, a high percentage of harbour commissions (83 per cent) do not produce such reports, due to their small size and lack of associated personnel. A large minority of city and county development boards (44 per cent) and LEADER groups (35 per cent) also do not produce them, as do a small minority of VECs (14 per cent), childcare committees (13 per cent) and Partnership companies (12 per cent). In the case of VECs, annual reports are a relatively new phenomenon. Development boards have discretion over whether or not to publish them.

In some departments, annual reports are often ‘checked’ against the requirements of the Code of Practice for State Bodies before being signed off by the secretary-general. Childcare committees are required to draw up an Annual Progress Report

which reflects on their achievements; provide an overview of work completed during the year; and identify the extent to which targets were reached and objectives were met. Some bodies also produce quarterly reports to their parent departments and interviews revealed that monthly financial reports are common.

Survey respondents were also asked about the extent to which *public* reporting on financial and non-financial issues happened in their organisation. As Figure 7.10 demonstrates, broadly similar results occurred for reporting on both issues by the eleven sub-sectors. Fifty-nine per cent said that they reported on financial performance ‘to a large extent’ and 63 per cent reported the same for non-financial issues.

7.9 Reporting on work done: local authorities

Figure 7.7 (above) illustrates that when compared to both national bodies and the norm for the other local and regional bodies, local authorities demonstrate a high level of reporting across all of the issues raised, with at least 85 per cent stating that they reported on each of the five issues. As well as reporting on specific strategic issues, the local and regional bodies were questioned as to whether or not they produced an annual report. Annual reports are normally public documents and because of this will present different forms of information

Fig. 7.9: Does the organisation produce an annual report? (%)

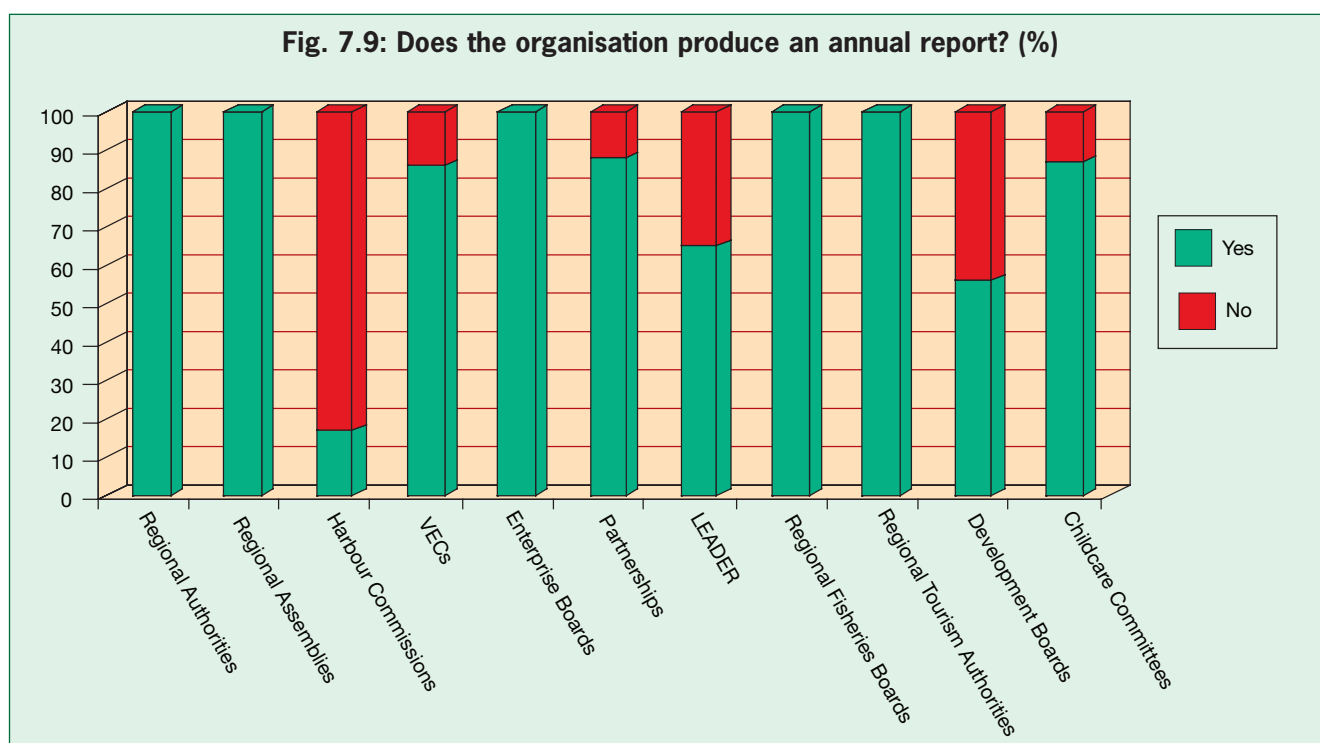
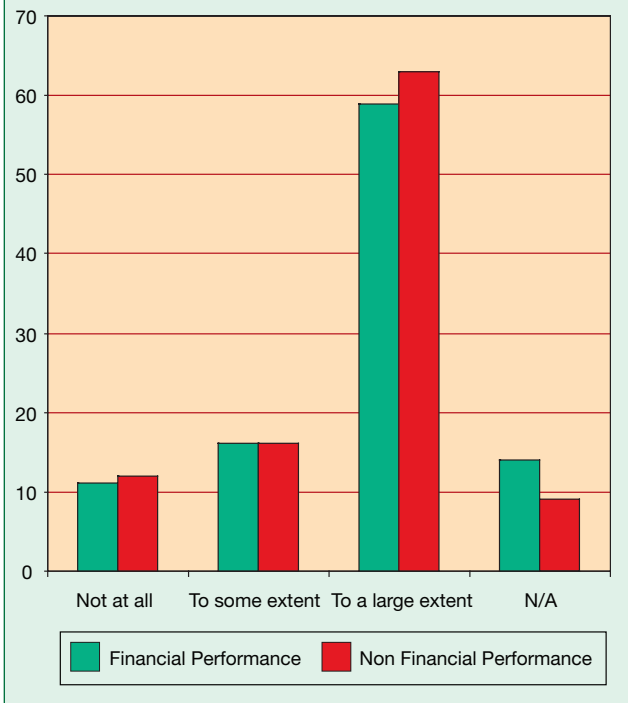


Fig. 7.10 Is there public reporting by the organisations in the 11 sub-sectors on financial and non-financial performance? (%)



than the more strategic policy-based documents outlined above. While 81 per cent of national bodies⁸² did so, every local authority did so as required under the Section 221 of the 2001 Local Government Act. Also, the vast majority of local authorities stated that public reporting on financial

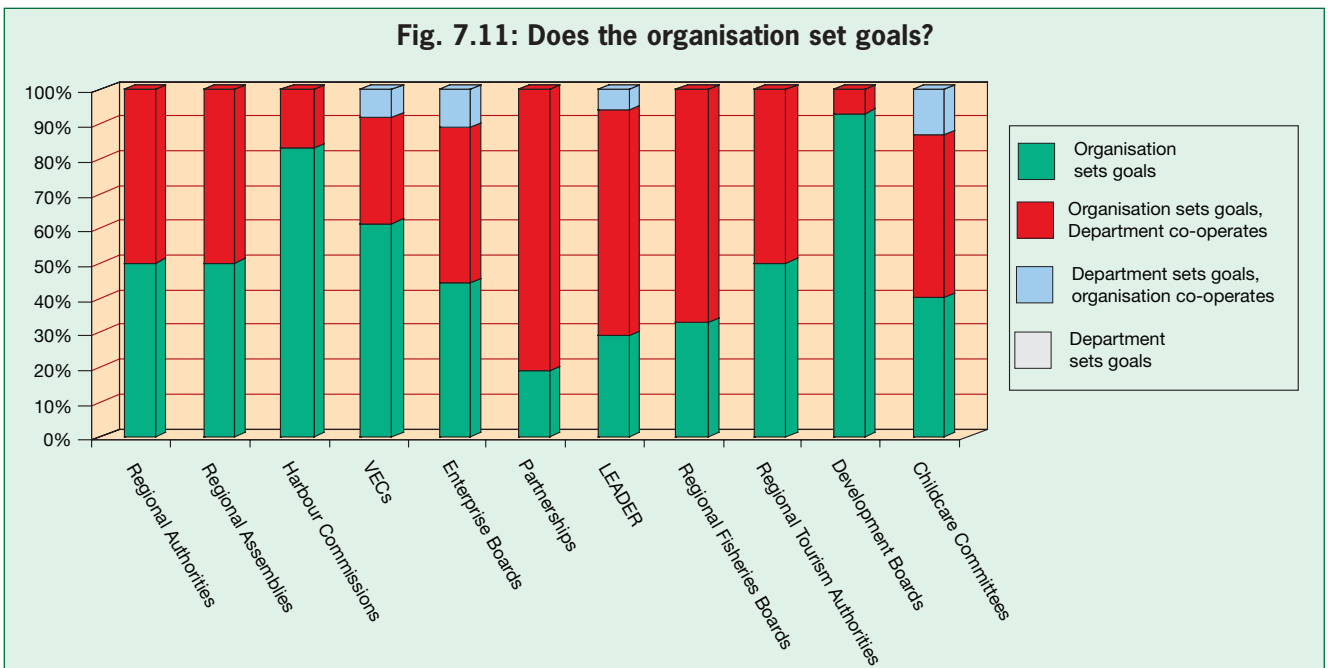
(100 per cent) and non-financial performance (96 per cent) happened 'to a large extent' in their organisations.

7.10 Setting Goals: 11 sub-sectors

In terms of setting goals for the various local and regional bodies to achieve, some differences emerge as demonstrated in Figure 7.11 below. While in no case does the parent body decide the goals of any local and regional body without at least some consultation, no sub-sector reported that all its respondents have full freedom to set its goals. In the case of harbour commissions and city and county development boards, a significant majority of respondents reported having the ability to set their goals. Conversely, a significant minority of LEADER groups, Partnership companies and regional fisheries boards reported having such discretion, with most responding that they set goals in consultation with their parent body or department. In the case of Partnerships, the body with whom goals are agreed is *Pobal*. In the case of LEADER groups, the Department of Community, Gaeltacht and Rural Affairs is responsible for co-ordinating the achievement of targets under the LEADER+ programme.

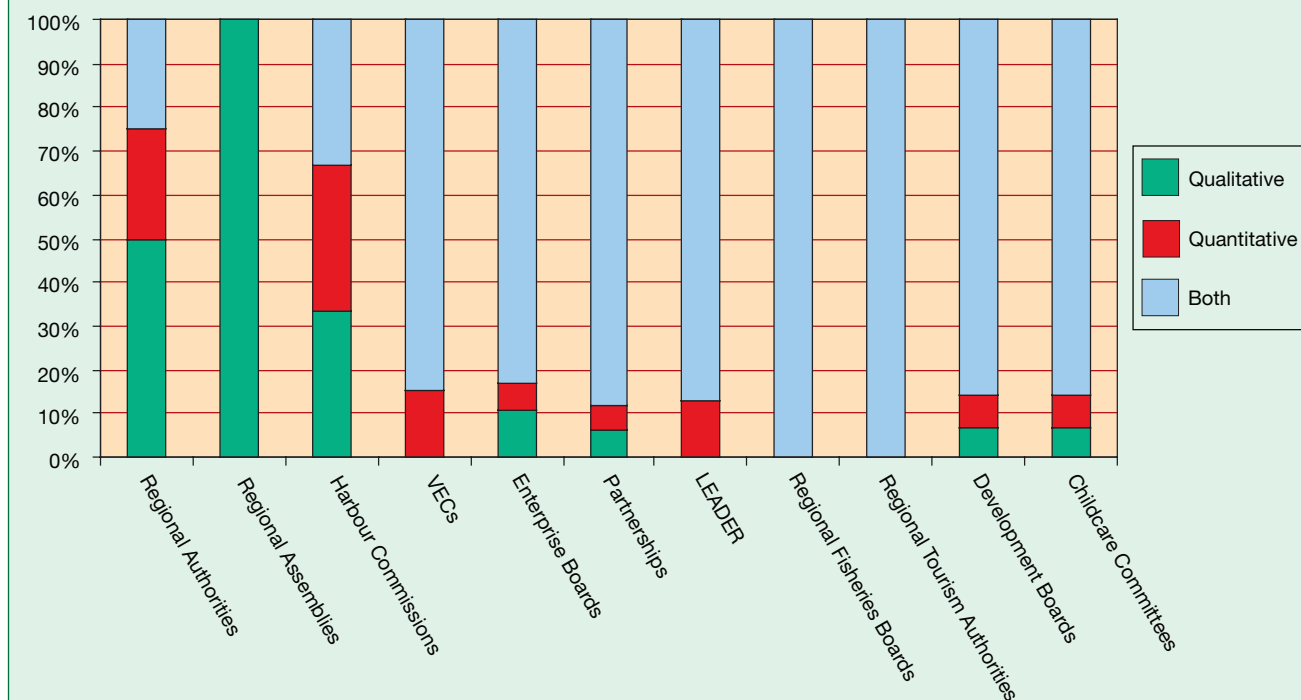
A broadly similar pattern as that for local authorities (below) emerges for the norm of the eleven sub-sectors in terms of whether the type of goals established by organisations are in

Fig. 7.11: Does the organisation set goals?



⁸² McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p.119.

Fig. 7.12: Are the goals of the organisation set in qualitative or quantitative terms?



quantitative or qualitative format. Eighty per cent reported that they used both, with 10 per cent responding that their goals are exclusively qualitative or quantitative respectively. Figure 7.12 disaggregates these figures by sub-sector. Both regional assemblies noted that all of their goals are qualitative.

7.11 Setting Goals: local authorities

Fifty-seven per cent of local authorities report that they set their own goals, while a further 30 per cent state that their goals are set in conjunction with the department of the Environment, Heritage and Local Government. Only 13 per cent reported that the department set the goals for their local authority to achieve. The variety in figures reflects the fact that local government policy making involves a variety of actors and interviews confirm that partnership and consultation are principles informing the process. Local authorities tend to have considerable local discretion in helping to achieve national policies and targets, in order to ensure successful implementation. The majority (79 per cent) of local authority respondents stated that their goals are set in both quantitative and qualitative formats, with only 17 per cent responding that they are exclusively quantitative

7.12 Performance indicators: 11 sub-sectors

The public sector modernisation agenda places an emphasis on improving the ability of the Irish public service to measure and assess the quality of its output. Performance indicators have therefore become a common feature of many public organisations. In terms of the number of performance indicators in the strategy statements of the organisations in the 11 sub-sectors, the norm is approximately 26 per cent for both the 11-20 and 21-49 range of indicators (see Figure 7.13). On closer examination, however, a large percentage of the organisations involved in local and regional administration (regional authorities, regional assemblies and harbour commissions) reported having no indicators whatsoever in their strategy statements, as represented in Figure 7.13. At the other extreme, 43 per cent of development boards and 27 per cent of childcare committees responded that they use over fifty indicators in their strategy statements. Amongst the other six sub-sectors, a majority of respondents have at least twenty indicators in their statements.

Turning to the question of whether or not the number of indicators has increased in recent years, the norm for the eleven sub-sectors reveals that 56

Fig. 7.13: How many indicators are there in the organisation's strategy statement?

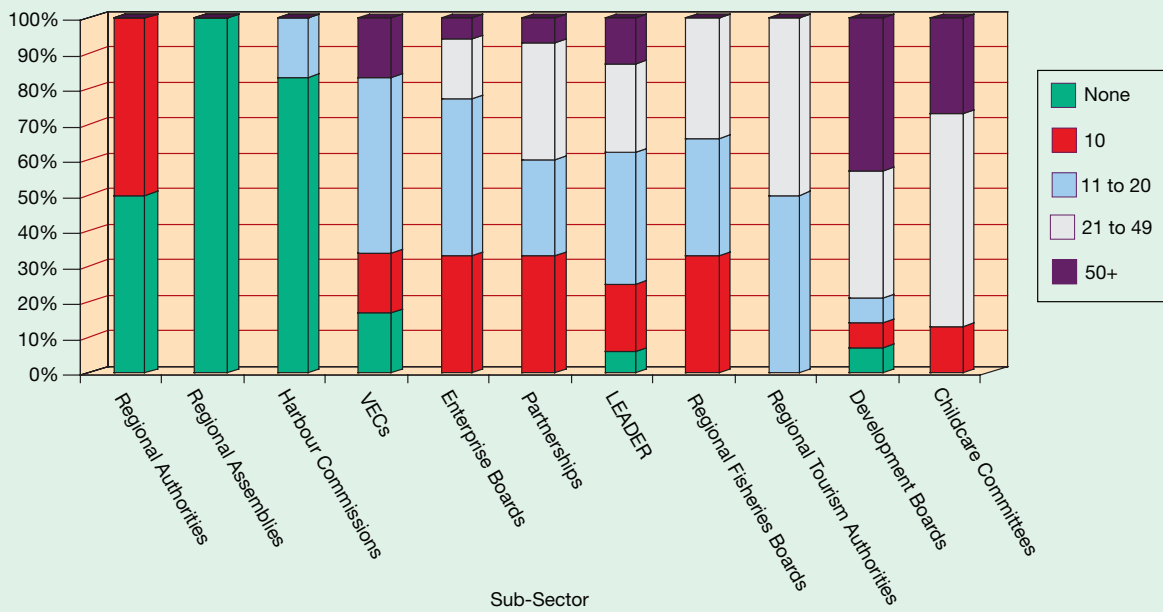
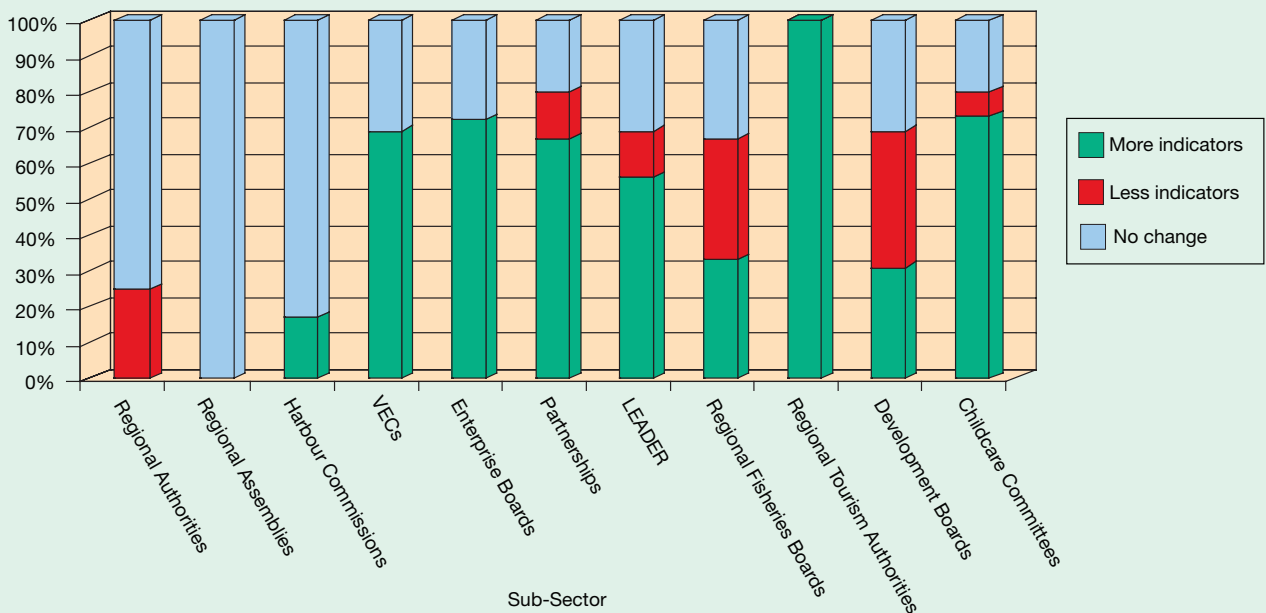


Fig. 7.14 How has the number of indicators changed in the last 5 years?

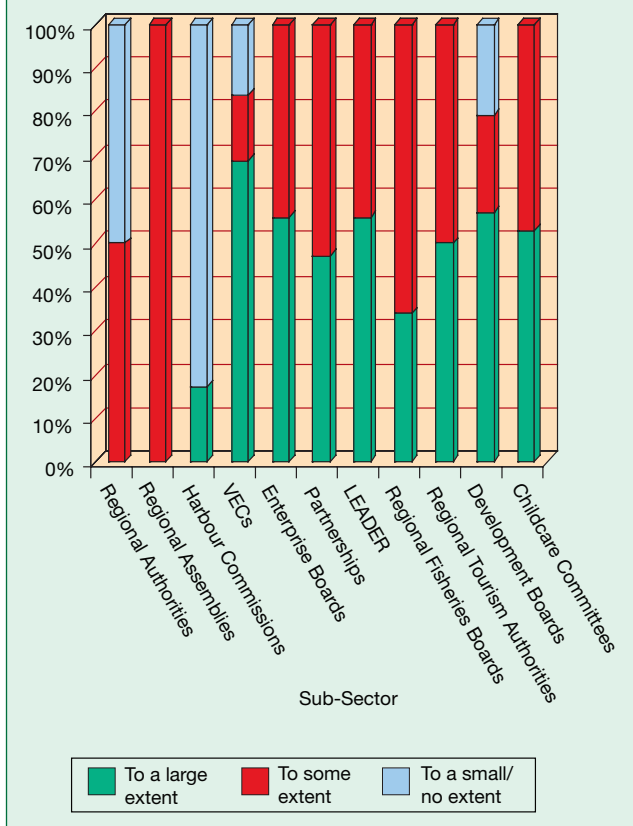


per cent of respondents felt that they had increased, with only 11 per cent responding that the number had decreased. Again the vast majority of organisations involved in local and regional administration (regional authorities, regional assemblies and harbour commissions) produced different results from other sub-sectors, mainly stating that there had been no change in the number of indicators in the last five years. With the exception of regional fisheries boards (33 per cent)

and city and county development boards (31 per cent), a majority of all other sub-sectors argued that the number of indicators had increased. Interestingly, 34 per cent of the regional fisheries boards and 38 per cent of the city and county development boards responded that the number had decreased, as Figure 7.14 illustrates.

When asked if they believed the indicators in their organisation's strategy statements reflected the full range of their activities, the norm for the eleven

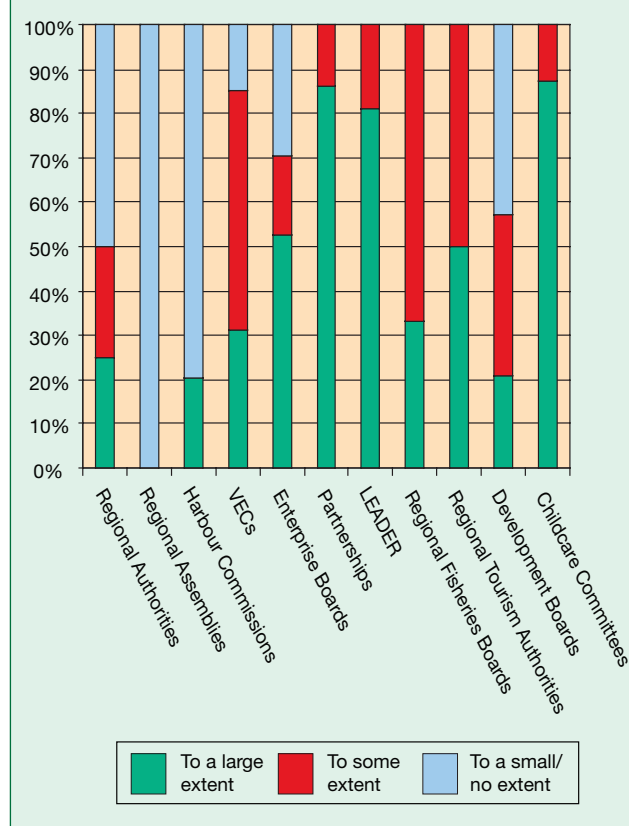
Fig. 7.15: To what extent do the indicators reflect the full range of the organisation's activities? (%)



sub-sectors revealed that just over half (51 per cent) did so 'to a large extent'. A further 39 per cent felt that they did so 'to some extent'. This reflected the pattern across almost all sub-sectors. As Figure 7.15 identifies, regional authorities (50 per cent) and harbour commissions (83 per cent) expressed the strongest response to the category of 'to a small/no extent'.

An average of 56 per cent of local and regional organisations (other than local authorities) stated that their indicators are used 'to a large extent' in their relationship with their parent department or body. As Figure 7.16 depicts, this is particularly true for the childcare committees (87 per cent), Partnership companies (86 per cent) and LEADER groups (77 per cent). In the latter case, while LEADER groups are required to complete 'indicator sheets', they are collectively responsible for achieving targets under the LEADER programme, and this work is co-ordinated by the department. Partnership companies have a certain number of key performance measures to achieve in relation to the Local Development Social Inclusion Programme (LDSIP). They are also used in reporting to the

Fig. 7.16 To what extent are indicators used in the relationship between the organisation and the parent body? (%)



regional assemblies in the context of NDP funding.

A further 25 per cent of local and regional bodies noted that indicators are used for this purpose 'to some extent', most notably regional fisheries boards (67 per cent), VECs (54 per cent) and regional tourism authorities (50 per cent). Nineteen per cent of the bodies, including both regional assemblies and 80 per cent of harbour commissions, reported that they are not used for this purpose to any great extent, if at all.

Looking in more detail at what the indicators measure, respondents were asked to identify the extent to which indicators measured the following:

- effects on society
- quality of services
- use of resources
- activities and task performance
- quantitative results
- qualitative results.

In terms of measuring the effect on society of the organisation's work, Figure 7.17 demonstrates that one third of the harbour commissions, half of the

Fig. 7.17: To what extent do the indicators measure the effect on society of the organisation's work? (%)

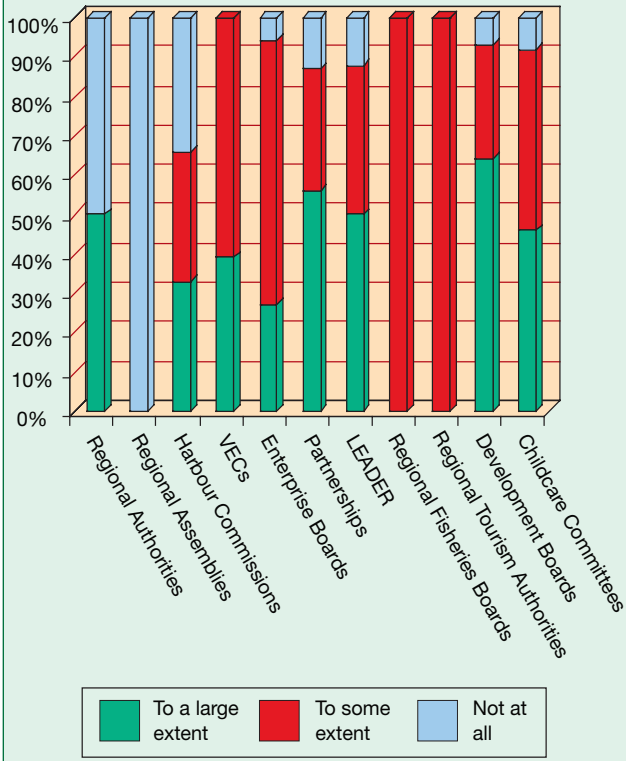


Fig. 7.18: To what extent do the indicators measure the quality of the organisation's services? (%)

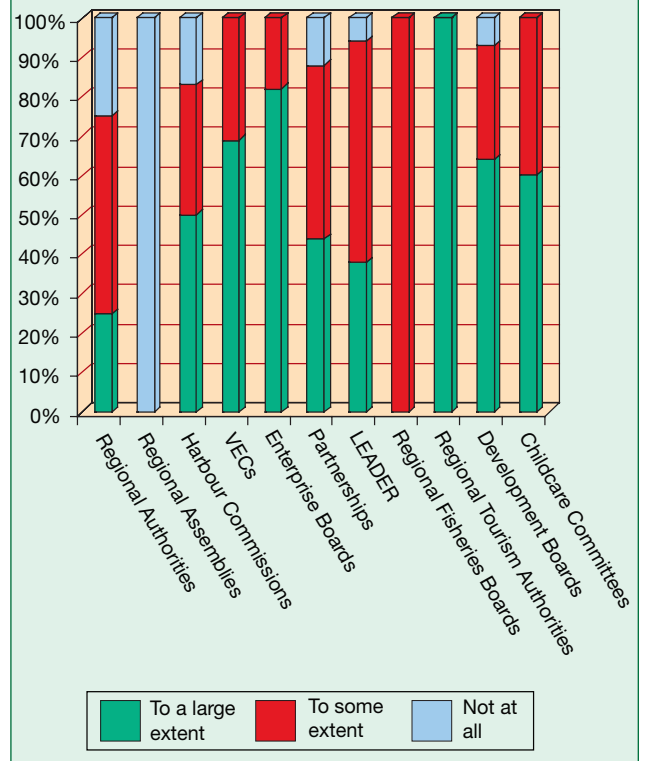


Fig. 7.19: To what extent do the organisation's indicators measure its use of resources? (%)

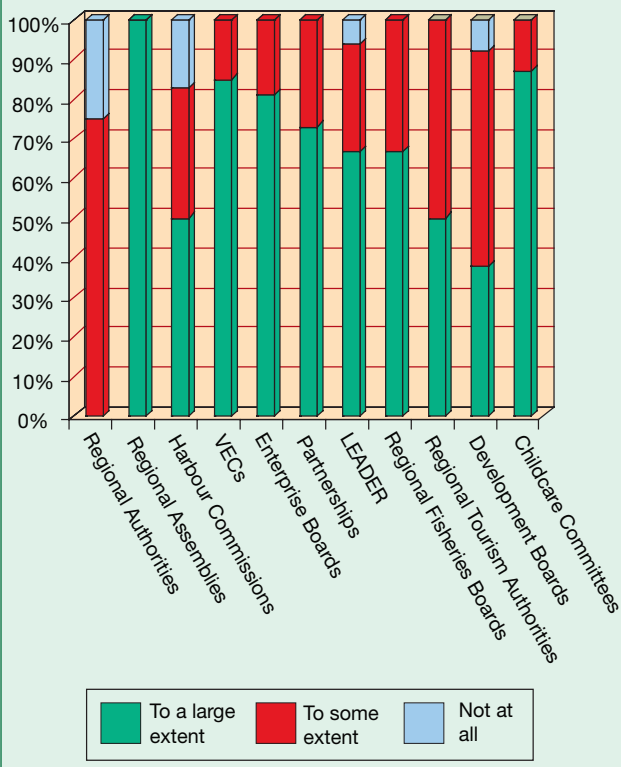


Fig. 7.20: To what extent do the organisation's indicators measure its activities and task performance? (%)

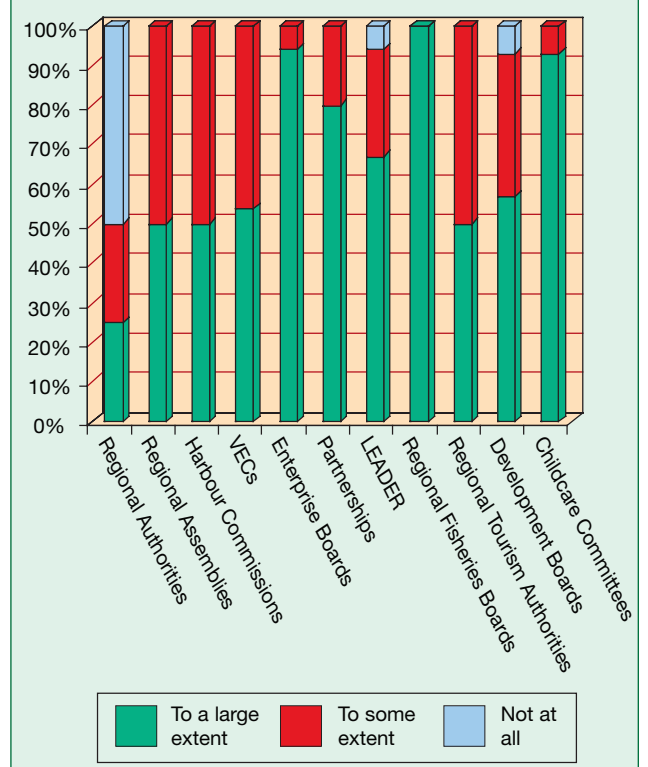


Fig. 7.21: To what extent do the organisation's indicators measure quantitative results? (%)

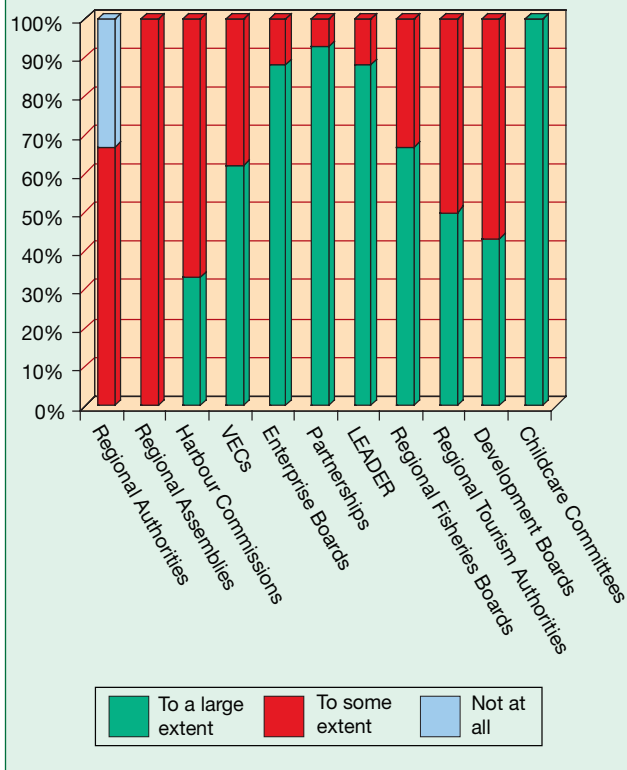
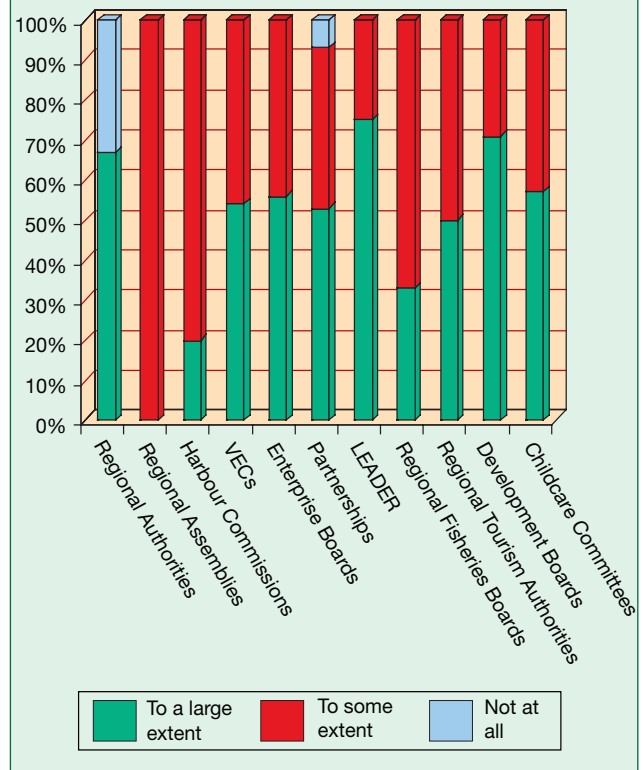


Fig. 7.22: To what extent do the organisation's indicators measure qualitative results? (%)



regional authorities, and both regional assemblies reported that their indicators did not measure it. As for the other sub-sectors, with the exception of the regional fisheries boards and regional tourism authorities, at least a quarter reported that their indicators measured the effect of their work on society, with a majority stating that they did so 'to some extent'.

As for quality of services, Figure 7.18 shows that 100 per cent of the regional tourism authorities responded that their indicators measured this issue. Regional assemblies are again the exception with none of their measures doing so. The other sub-sectors represent a mix of 'to some extent' and 'to a large extent', with more organisations reporting that their indicators did so 'to a large extent' than for the effect on society of their work (Figure 7.17).

When asked whether or not the indicators measured the organisation's use of resources, with the exception of regional authorities (0 per cent) and development boards (38 per cent), at least 50 per cent of all-sub-sectors reported that they did so 'to a large extent'. Figure 7.19 shows particularly positive responses from VECs, enterprise boards and childcare committees.

In terms of measuring activities and task performance, apart from regional authorities (50 per cent), an overwhelming number of organisations reported measuring these issues, as Figure 7.20 shows. At least 50 per cent of each stated 'to a large extent'.

Indicators measuring quantitative results are also very common as Figure 7.21 illustrates, and tended to be more common than those measuring qualitative results (Figure 7.22). A very large percentage of city and county enterprise boards (94 per cent), Partnership groups (80 per cent), LEADER companies (67 per cent), and 100 per cent of city and county childcare committees reported that the indicators do so 'to a large extent'.

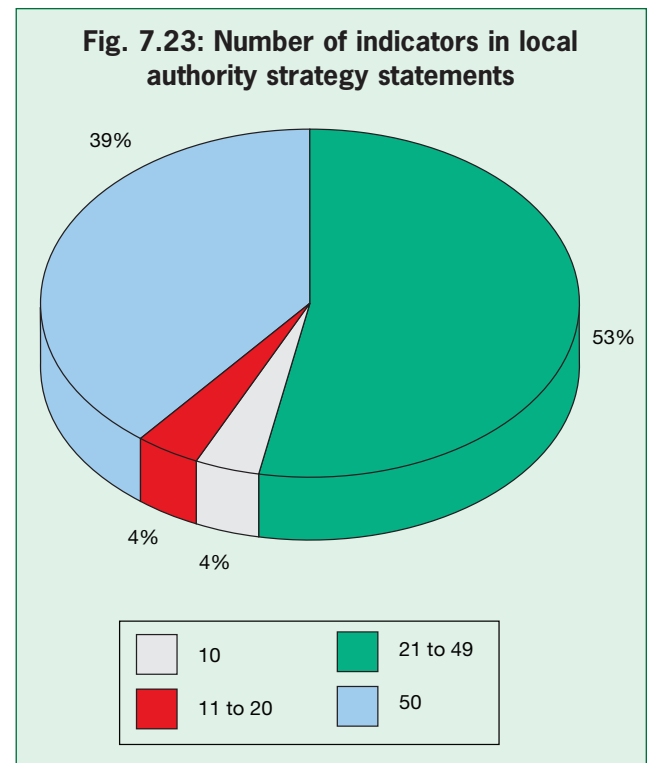
While the number of organisations responding that their indicators did not measure qualitative results did not alter dramatically from those in Figure 7.21, there is in general less responses of 'to a large extent' and instead more of 'to some extent' across the sub-sectors. Comparing Figures 7.21 and 7.22, only city and county development boards reported that more of their indicators measured qualitative rather than quantitative results 'to a large extent'.

7.13 Performance indicators: local authorities

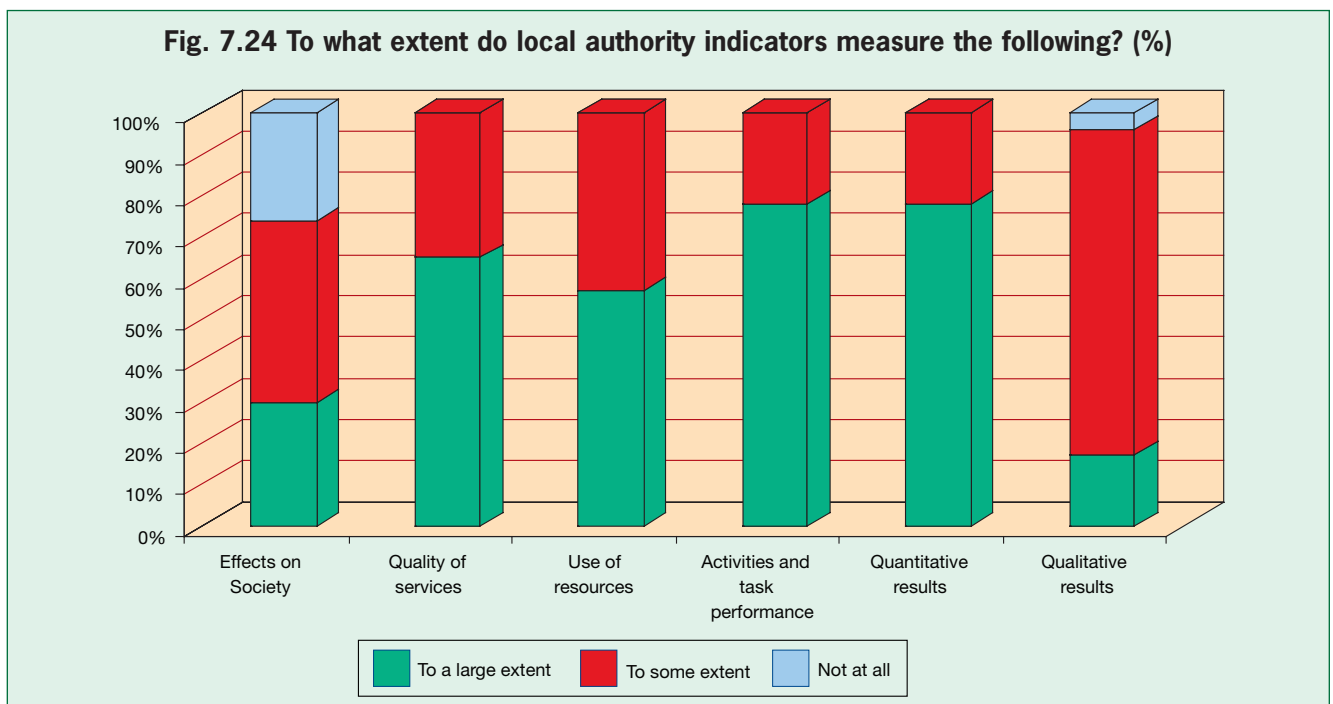
For local authorities, a revised set of forty-two ‘service indicators’ were published in 2004⁸³ which cover the breadth of tasks undertaken by local government from water quality to expenditure on training and development. Figure 7.23 indicates some variation in the number of indicators appearing in local authority strategy statements. Eighty-three per cent of local authority respondents also noted that the number of indicators had increased in the last five years, with 9 per cent finding that there is now less and a further 9 per cent saying there is no change.

In terms of how well the indicators reflect the full range of local authority activities, 52 per cent of respondents felt that they did so ‘to a large extent’, 35 per cent ‘to some extent’ and 13 per cent ‘to a small/no extent’. Furthermore, while 61 per cent of local authorities stated that indicators are only used ‘to some extent’ in their relationship with the Department of Environment, Heritage and Local Government, 22 per cent noted that they used them for this purpose ‘to a large extent’.

While financial audits are considered elsewhere in this report, the organisations were also surveyed about the extent to which the indicators they used measured the following issues:



- effects on society
- quality of services
- use of resources
- activities and task performance
- quantitative results
- qualitative results.



⁸³ Department of the Environment, Heritage and Local Government *Delivering Value for Money: Service Indicators in Local Authorities* (2004).

For local authorities, the indicators overwhelmingly measured all of the above issues either ‘to a large extent’ or ‘to some extent’, as Figure 7.24 demonstrates.

7.14 Evaluating non-financial results: 11 sub-sectors

For the eleven sub-sectors, a majority of the organisations are evaluated by various methods concerning non-financial results. Apart from harbour commissions (who are largely subject to self-evaluation) and regional authorities, all sub-sectors are at a minimum evaluated by their parent department, with many also being evaluated by third parties as Table 7.2 demonstrates. The sub-sectors subjected to the most third party evaluation are the VECs, enterprise boards and Partnerships, followed closely by LEADER groups, development boards and childcare committees.

7.15 Evaluating non-financial results: local authorities

For local authorities, the evaluation of non-financial results is conducted by a variety of actors as Table 7.3 demonstrates. A substantial proportion of local authorities evaluate their own non-financial results, while a number of respondents also reported that the Department of the Environment,

Heritage and Local Government employs other parties (such as the Office for Local Authority Management) to do so.

Table 7.3 Who evaluates the non-financial results of the local authority (%) (n=23)?

Organisation evaluates non-financial results	78%
Department evaluates non-financial results	30%
Third party directed by organisation evaluates non-financial results	4%
Third party directed by department evaluates non-financial results	39%
Others evaluate non-financial results	30%
Nobody evaluates non-financial results	0%

7.16 Rewards and sanctions: 11 sub-sectors

The study of national non-commercial bodies identified that systems of rewards and sanction are underdeveloped, and that sanctions are more likely to be implemented than rewards⁸⁴. Where rewards did exist, they usually took the form of more resources for the organisation, rather than increased operational autonomy. Financial bonuses for individual members of staff, apart from the CEO, are not common outside of payments for adherence to the terms of social partnership agreements. For the

Table 7.2 Who evaluates non-financial results? (Shaded box indicates positive response)

Sub-Sector	Organisation itself	Parent Department	Third parties, under the direction of org.	Third parties, under the direction of parent body	Others	Nobody
Regional Authorities						
Regional Assemblies						
Harbour Commissions						
VECs						
Enterprise Boards						
Partnerships						
LEADER						
Regional Fisheries Boards						
Regional Tourism Authorities						
Development Boards						
Childcare Committees						

⁸⁴ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p.121-2.

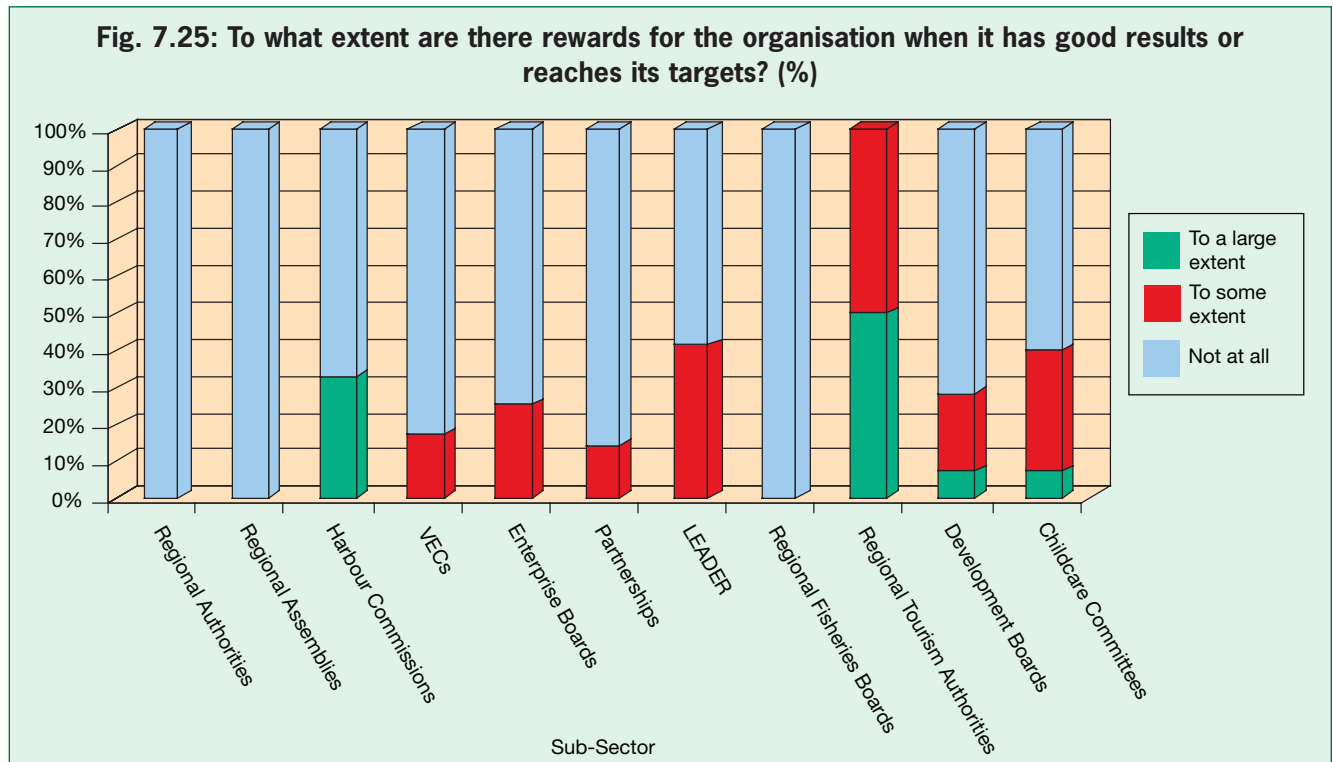
eleven regional and local sub-sectors, 73 per cent of organisations said that there is no reward for meeting their goals. Twenty-three per cent said they are rewarded ‘to some extent’, while only 5 per cent (mainly regional tourism authorities) said they are rewarded ‘to a large extent’, as Figure 7.25 illustrates. One third of the harbour commissions also reported being rewarded ‘to a large extent’ for good results or meeting targets (although on closer examination such rewards tended to be simply ensuring maximum budget allocation). As with national bodies, the rewards for local and regional bodies tend to be increases in resources (which may also occur in mid-year), although some respondents did respond that they received greater autonomy for good performance.

Local and regional bodies tended not to be overly concerned with sanctions for poor performance, and 49 per cent of respondents stated that they did not exist for their organisation. A further 48 per cent responded that they existed ‘to some extent’ while 4 per cent stated they existed for them ‘to a large extent’ (mainly VECs and LEADER groups), as Figure 7.26 depicts. For the national bodies, the most common form of sanction is a reduction in

financial allocations, which occurred when an organisation underspent its annual budget⁸⁵. A similar pattern emerges for local and regional bodies and by far the most common sanction is less resources or delaying payments until certain tasks have been completed. Regional tourism authorities are the most likely to suffer from them. However, with one exception, neither increases nor decreases in staff or management wages feature as a reward or sanction for the sub-national bodies.

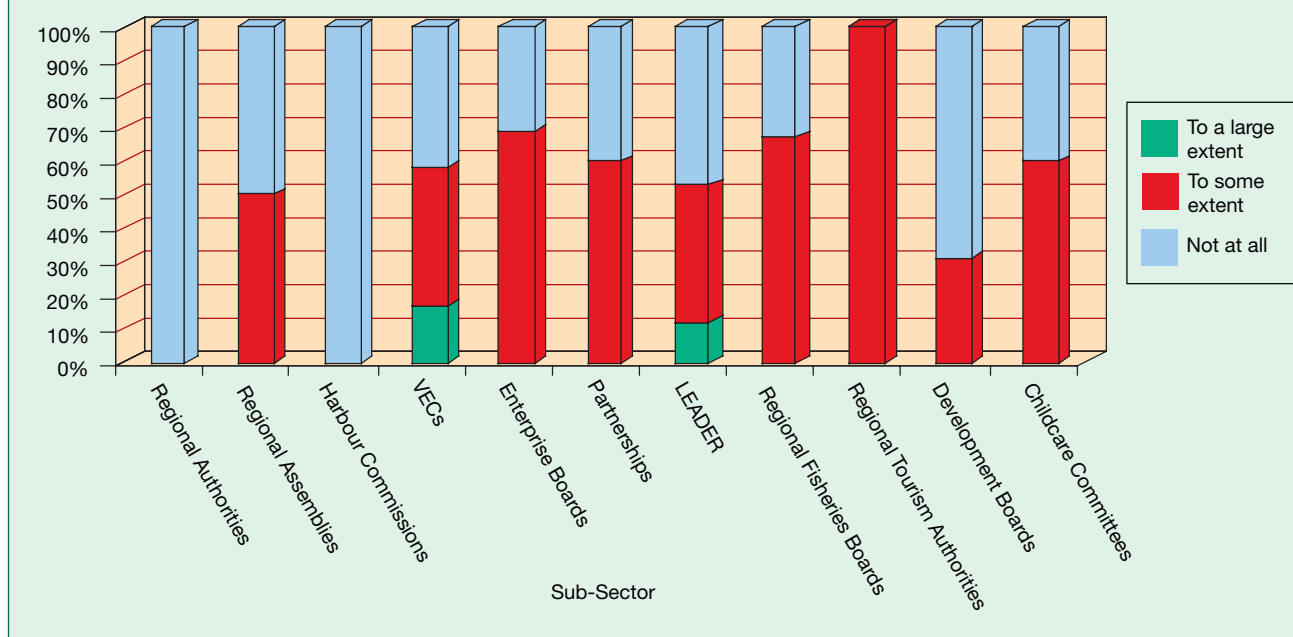
7.17 Rewards and sanctions: local authorities

For local authorities, while a majority (56 per cent) responded that there are no rewards extended to them, a large minority (44 per cent) said that they are rewarded ‘to some extent’ for the performance of their tasks. In terms of sanctions, 47 per cent of local authorities responded that there are no sanctions for poor results or failing to achieve targets, while an almost equal number (48 per cent) reported that sanctions did exist to some extent. Five per cent responded that they existed ‘to a large extent’.



⁸⁵ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p.122

Fig. 7.26: To what extent are there sanctions for poor results or not meeting targets? (%)



7.18 Summary

Only 15 per cent of sub-national bodies (other than local authorities) reported having discretion over deciding on target groups, while the equivalent figure for policy instruments is 13 per cent. Local and regional bodies are also more likely to report on strategy, objectives, planned investment, financial and non-financial targets than national non-commercial bodies, as well as reporting on work completed in these areas. Eighty-nine per cent of local and regional bodies in the eleven sub-sectors produce annual reports. The vast majority also publicly report on financial and non-financial performance. Fifty-six per cent stated that they felt the number of performance indicators had increased and an equal number reported that indicators are used ‘to a large extent’ in their relationship with their parent department or body. Apart from harbour commissions, all sub-sectors’ non-financial results are evaluated by themselves and an external body, which may or may not be their parent department. Approximately three-quarters reported that there are no rewards for meeting their goals (mainly resource increases), while about half said sanctions also existed.

Regional authorities have moderate policy autonomy. They do not use performance indicators in their strategy statements.

Regional assemblies have high levels of policy

autonomy. They do not use performance indicators in their strategy statements but those indicators that exist focus principally on their use of resources.

Of all sub-sectors, **harbour commissions** are the most likely to have to operate within ministerial or departmental limits on target groups and policy instruments. Overall they had moderate policy autonomy. They tend not to produce reports due to their size and do not use performance indicators either. Almost all of them reported that they set their own goals.

Vocational education committees have moderate policy autonomy, applying local discretion to goals and objectives set centrally. Their performance indicators tend to focus extensively on the use of resources.

City and county enterprise boards have little discretion over deciding on policy instruments, and even less on target groups. They have moderate policy autonomy overall. They are the organisations most likely to produce documents on planned investment for their parent departments. A majority of respondents noted that sanctions existed for them for not meeting targets.

Partnerships have moderate policy autonomy. Most of them produce multi-annual business plans and planned investment requires CDB endorsement. Most of them set their goals in co-operation with *Pobal* and the department. Indicators played an important role in their

relationship with their parent body, and are used in reporting to the regional assemblies

LEADER groups have moderate policy autonomy, including little discretion over deciding on target groups and policy instruments. After enterprise boards, they are most likely to submit documents on planned investment to their parent department. A number of LEADER groups do not produce annual reports. Most of them set their goals in co-operation with the department. Indicators played an important role in their relationship with their parent body.

Regional fisheries boards have moderate policy autonomy. Most of them set their goals in co-operation with the department. A majority of respondents noted that sanctions existed for them for not meeting targets.

Regional tourism authorities are the sub-sector with the greatest discretion over deciding on target groups and policy instruments and overall had high policy autonomy. They are most likely of all sub-sectors to produce multi-annual business plans. Half of the respondents noted that the performance indicators in their strategy statements reflected their work only to a small, if any, extent. Rewards exist for the authorities, as do sanctions but to a lesser extent.

Within their co-ordinating role, **city and county development boards** have maximum policy autonomy, and reported having a large degree of discretion over deciding on target groups and policy instruments. A large minority of the boards do not produce annual reports. Almost all of the boards report having freedom to set their goals. A

large number of them reported having over fifty performance indicators in their strategy statement, although many also noted the number of indicators had decreased. They are the only sub-sector to identify that more of their indicators measured qualitative rather than quantitative results.

City and county childcare committees reported having moderate policy autonomy. Indicators played an important role in their relationship with their parent body and tended to focus mainly on use of resources, activities and tasks and quantitative results. A majority of respondents noted that sanctions existed for them for not meeting targets.

In terms of target groups and policy instruments, most **local authorities** state that they operate within departmental guidelines, but in general had moderate policy autonomy. Local authorities are more likely than national bodies to produce reports on planned investment, and are adept at producing multi-annual business plans. They are also the most likely to report on work completed, and all produce annual reports. Local authority goals are set either by the authority or in conjunction with the Department of Environment, Heritage and Local Government. A majority reported that the number of performance indicators has increased over the last five years. Most local authorities evaluate their non-financial results either themselves or in conjunction with others. Almost half of local authority respondents reported that some form of rewards and sanctions existed for their organisation.

8

Governance structures in non-commercial local and regional bodies

8.1 Introduction

Boards are an essential element of the governance machinery for many public bodies. Whereas 69 per cent of national bodies surveyed by McGauran et al⁸⁶ had a board, 100 per cent of local and regional bodies responded that they had one. In this chapter the composition and role of these boards are considered, as well as the role and accountability of the CEOs (or equivalent) of sub-national bodies.

8.2 Board appointment mechanisms and composition: 11 sub-sectors

For the eleven sub-sectors, the method of appointment and average size of boards is as laid out in Table 8.1.

The organisations with the most diverse method of board nominations are harbour commissions and enterprise boards, with organisations from both sub-sectors deriving their board membership from the full range of methods listed here. LEADER groups, regional fisheries boards and childcare committees have their boards appointed from a combination of appointments by ministers, stakeholders, indirect election and other nominations. In the case of the childcare committees, this latter category included for example, community and voluntary representatives. For regional fisheries boards, licensed anglers are entitled to elect board members. A more detailed breakdown of numbers is presented in Table 8.2.

Table 8.1: Method of board member appointment and average board size (shaded box indicates positive response)

Sub-Sector	Minister appoints	Minister after formal/informal consultation with organisation	Minister after nomination by and/or consultation with stakeholders	Members appointed by election	Members appointed by stakeholders	Other	Average board size
Regional Authorities							29
Regional Assemblies							35
Harbour Commissions							7
VECs							17
Enterprise Boards							12
Partnerships							20
LEADER							13
Regional Fisheries Boards							22
Regional Tourism Authorities							12
Development Boards							23
Childcare Committees							16

⁸⁶ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p.125.

Table 8.2: Total number of representatives on 11 sub-sectors' boards (n=141)

Sub-Sector	Central Govt Reps	Other Govt Reps	Trade Union Reps	Employer Reps	Employee Reps	Stakeholder Reps	Independent Experts	Elected Members*	Other	Total
Regional Authorities								146		146
Regional Assemblies								70		70
Harbour Commissions	6	12	3	3		2		6	12	44
VECs			3	1	23	28		139	49	243
Enterprise Boards	4	25	18	21	2	75	28	48	16	237
Partnerships	1	69	40	30	12	111	5	48	20	336
LEADER		14	4	8	2	129	6	55	3	221
Regional Fisheries Boards	1				3	15		40	7	66
Regional Tourism Authorities		2	1		1	6		13		23
Development Boards	25	60	13	19	10	107	22	96	14	366
Childcare Committees		24	9	9	10	135	2	42	4	235
Total	37	206	91	91	63	608	63	703	125	1987
Total %	2%	10%	5%	5%	3%	31%	3%	35%	6%	100%

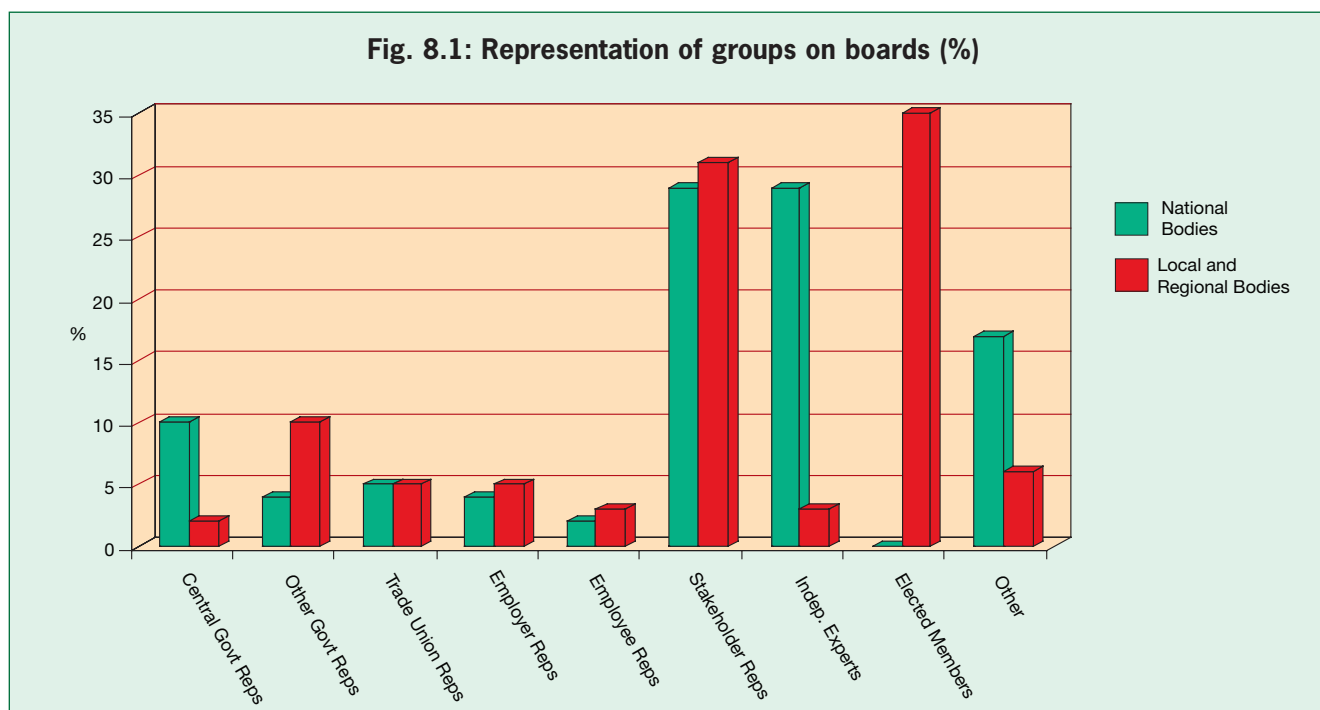
* Refers to elected local councillors appointed by their councils to serve on boards.

As is clear from the above table, the two largest cohorts of representatives to local and regional bodies (excluding local authorities) are stakeholder representatives, and members of local authorities nominated to serve on boards of other organisations. Local authority representation on boards offer greater democratic legitimacy to non-directly elected local and regional bodies. In fact, for many local and regional bodies, new boards are elected in the same year as local authority elections. Central government representatives account for a relatively small percentage of total

board appointments. When compared with the corresponding figures for national level bodies, some variations emerge as revealed in Figure 8.1.

The most significant difference occurs in respect of elected members, with no national bodies having members of local authorities on their boards. There are also comparatively few independent experts on the boards of local and regional bodies (3 per cent) when compared with national bodies (29 per cent). In respect of government representatives, while the percentage of central (departmental) representatives

Fig. 8.1: Representation of groups on boards (%)



for local and regional bodies (2 per cent) is less than for national bodies (10 per cent), there are comparatively more persons appointed from non-departmental state organisations to local and regional bodies (10 per cent) than national bodies (4 per cent). For example, many of the city and county development boards have large numbers of representatives from organisations such as the Health Service Executive and FÁS.

Many boards are also moving from being principally concerned with control over operational issues to concern with strategic control. For the eleven sub-sectors, 22 per cent responded that this is happening ‘to a large extent’, 43 per cent ‘to some extent’ and 11 per cent responded that it is not happening. It is most commonly happening to a large extent in regional tourism authorities (50 per cent), LEADER groups (31 per cent), enterprise boards (28 per cent) and VECs (25 per cent). A more detailed breakdown is described in Figure 8.2 below.

8.3 Board appointment mechanisms and composition: local authorities

The ‘Boards of Directors’ for local authorities are in fact the council of popularly elected members. For the city, county and borough councils who responded to the survey, the number of such members ranged from twelve to fifty-two, with an average size of twenty-five. These councils remain in place until the following local election – a period

of five years. As demonstrated in Figure 8.1 above, a significant proportion of local politicians are also board members of other local and regional organisations. Interestingly, 17 per cent of local authority respondents reported that their elected councils were ‘to a large extent’ moving from being principally concerned with control over operational issues to being concerned with more strategic control. A further 70 per cent noted this to be true ‘to some extent’.

8.4 Appointing and monitoring the CEO: 11 sub-sectors

For the eleven sub-sectors, on average two thirds of responding organisations reported that their CEO (or equivalent) is appointed by the board. A further 12 per cent stated that the board appointed the CEO after consulting with the organisation. Sixteen per cent of respondents identified other methods of appointment, including local authorities for city and county development boards, and the Local Appointments Commission (now Public Appointments Service) for regional assemblies. In the latter case, the assembly endorses the appointment. A detailed breakdown by sub-sector is presented in Figure 8.3.

On average, 91 per cent of all organisations reported that the CEO’s role is described in writing. While one third of harbour commissioners reported that the role of the harbour master is not in writing, the 1946 Act founding the commissions did

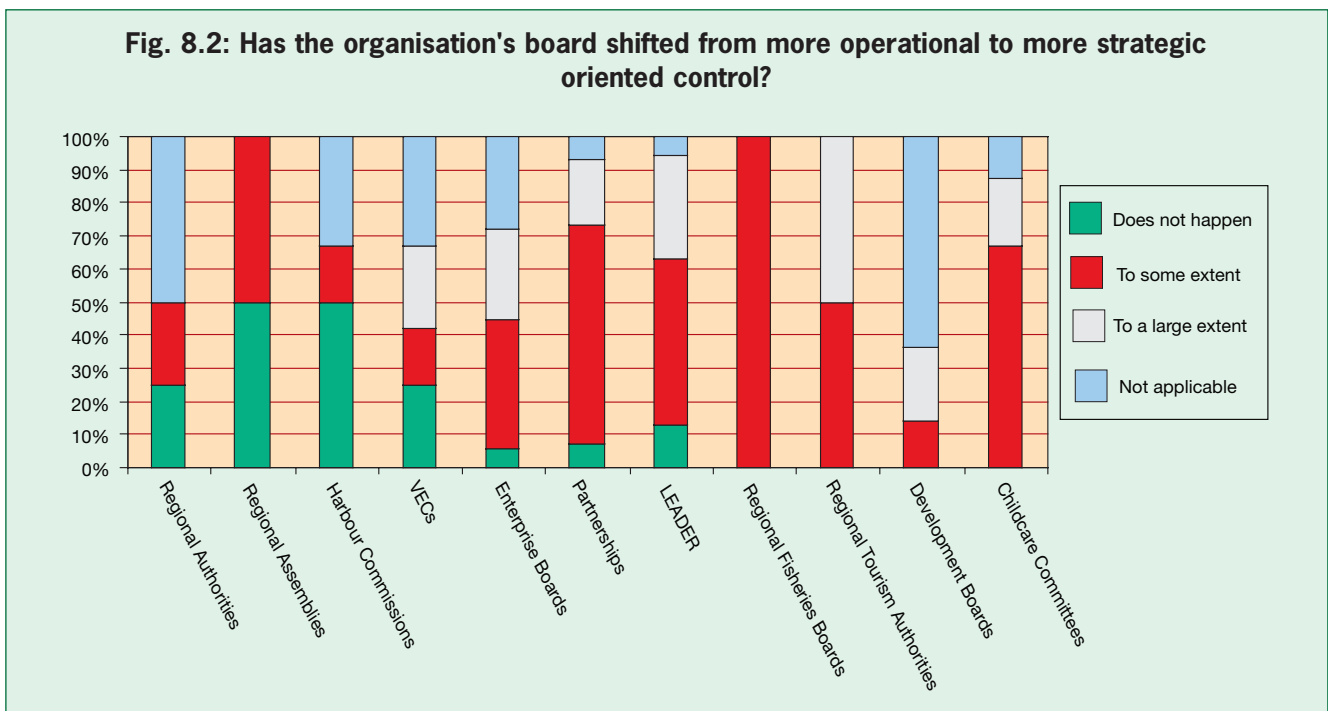
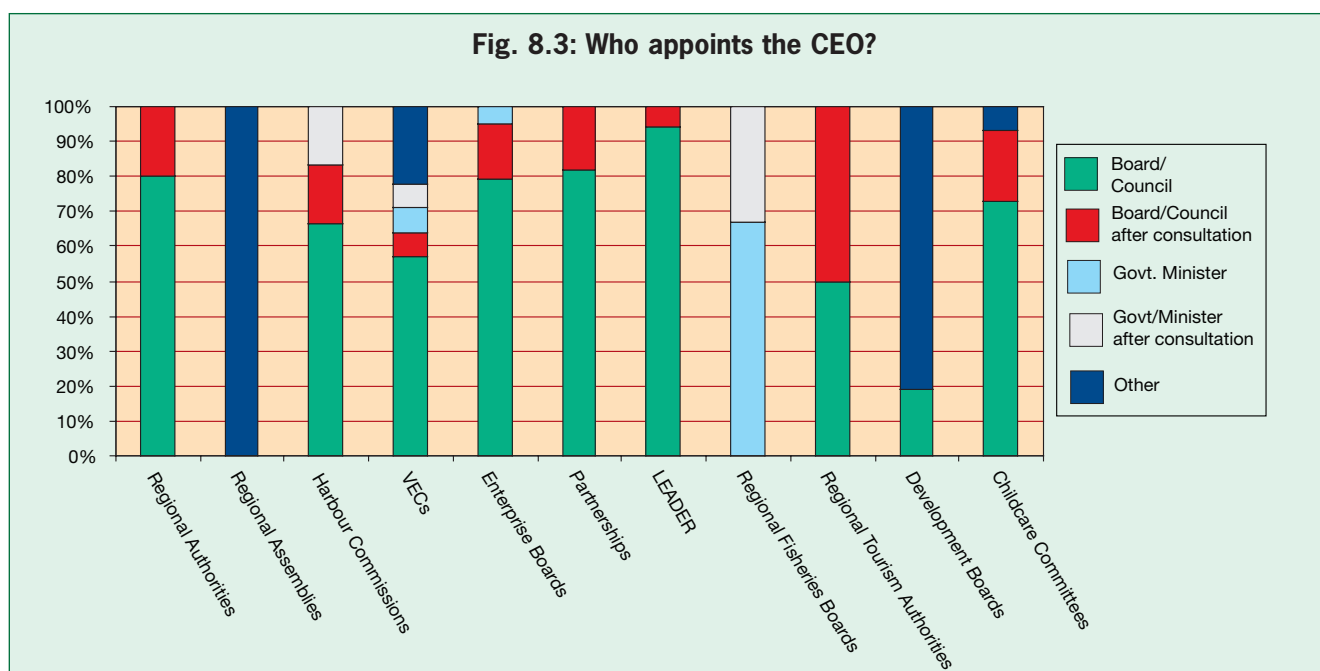


Fig. 8.3: Who appoints the CEO?



describe in some detail the duties of the harbour master. Also, one quarter of development boards reported that the role of the local authority director of service normally appointed to manage their work is not written anywhere. A small percentage of VECs (14 per cent) and childcare committees (13 per cent) also reported that the CEO's role is not in writing.

In terms of CEO accountability, all of the regional assemblies, enterprise boards, Partnerships and regional tourism authorities responded that the specific accountability of their CEOs are in writing. While two thirds of regional fisheries boards reported that the accountability of their CEO is not written, the 1980 Fisheries Act details the role of the chief executive. Also, while the same is true for half of the harbour commissions, it must be noted that the harbour masters have contracts with the commissions directly. Twenty per cent of regional authorities and childcare committees also responded that the CEO's accountability is not in writing. While 37 per cent of development boards also stated that the accountability of the director of service or equivalent is not in written format, Section 129(8) of the 2001 Local Government Act does identify that the 'chief officer' of the CDB shall be an employee of the council. Under Section 17 of the 2001 Vocational Education (Amendment) Act, the CEO of a VEC can be called before the Committee of Public Accounts.

The local and regional bodies were asked whether or not their CEO is accountable for:

- results
- the functioning of the organisation

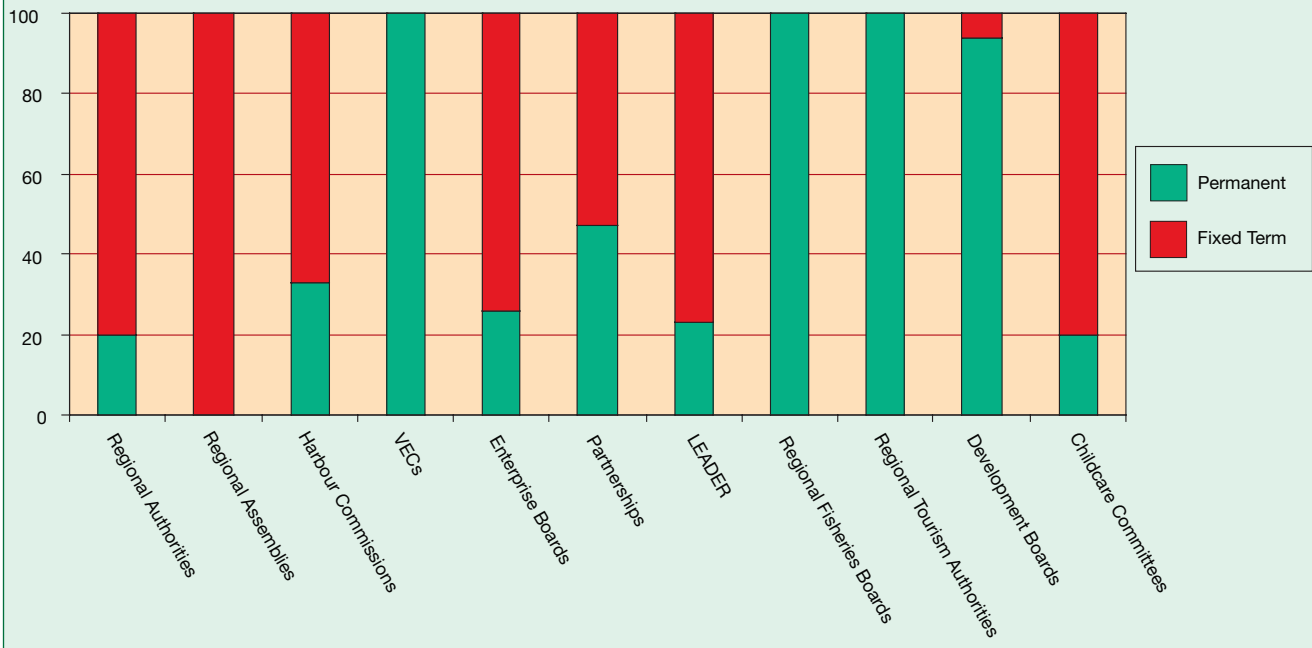
- administration of the budget
- compliance with rules and regulations
- or other issues.

In terms of *results*, an overwhelming majority of organisations noted that their CEO is responsible for such. Twenty per cent of regional authorities, 17 per cent of harbour commissions and 14 per cent of VECs stated that this is not the case for their CEOs. Only a small number of organisations responded that their CEO is not accountable for the *functioning of the organisation*. The same is true in respect of *budget administration* and *compliance with rules and regulations*. Both regional assemblies responded that the CEOs are also accountable for *other issues* as well, as did one third of the regional fisheries boards. Of the other sub-sectors, an average of 15 per cent also responded that their CEOs are accountable for issues other than those listed above.

For the eleven sub-sectors, exactly half of the CEOs are reported as being appointed on fixed term contracts and half as permanent appointees. Figure 8.4 illustrates that permanent contracts are extended to the CEOs of VECs, regional fisheries boards and regional tourism authorities. The vast majority of development boards are managed by directors of service who are also employed on permanent contracts.

On the other hand, the majority of CEOs in regional authorities, harbour commissions, enterprise boards, LEADER groups and childcare committees are reported to be employed on fixed-term contracts. In the case of enterprise boards,

Fig. 8.4 On what type of contract is the CEO appointed? (%)



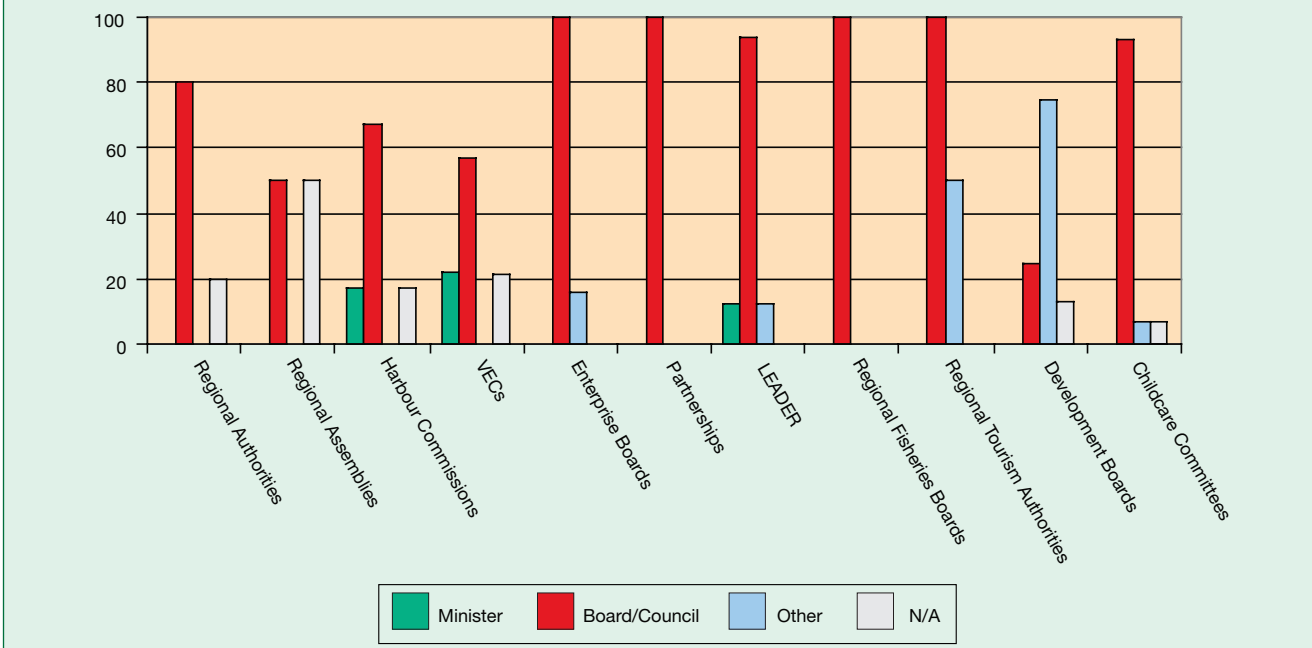
following a successful initial 3-year appointment, a CEO may then receive a permanent appointment. For harbour commissions, the CEOs tend to be permanent in the larger harbours which have more volume of traffic. Approximately half of the respondents for the Partnership companies noted that their CEOs are on fixed-term contracts.

Finally, in terms of evaluating the CEOs, a large majority of respondents noted that the board of the organisation performs this function. However,

many organisations responded that evaluation of the CEO is conducted by more than one body, as revealed by Figure 8.5.

As this figure demonstrates, a number of respondents from the harbour commissions, VECs and LEADER groups noted ministerial involvement in CEO evaluation. For development boards, evaluation of the director of service is conducted by the county or city manager. Also, it is noted that Fáilte Ireland, as the parent body, had a role in the

Fig. 8.5: Who evaluates the CEO? (%)



evaluation of the CEOs of the regional tourism authorities.

8.5 Appointing and monitoring the CEO: local authorities

For local authorities, the CEO is the city or county manager (or the town clerk in the case of borough councils). The normal method for appointing a manager is recommendation by the Public Appointments Service (PAS) followed by approval by the elected council. Section 145 of the 2001 Local Government Act provides that the nominee of the PAS will automatically assume the position if the council does not approve nomination within three months. In responding to the survey, 65 per cent of local authorities noted that the manager is appointed by the council, but 13 per cent stated that the government or minister made the appointment. A further 17 per cent recognised the PAS as the appointing body. The manager is accountable to the council, with whom he or she works closely.

In terms of the role and accountability of local authority managers, 96 per cent of respondents stated that the role is described in writing, while 92 per cent stated that the same is true for the accountability of the CEO. Ninety-six per cent also noted that local authority managers are appointed on fixed-term contracts, normally seven years. When asked what the CEO is accountable for, local authorities responded as follows:

Table 8.3: What is City/County Manager/Town Clerk accountable for? (%)

	Yes	No	Not applicable	Incomplete response
Results	100			
Functioning of organisation	100			
Administration of budget	96			4
Compliance with rules and regulations	96			4
Other	22		4	74

In terms of evaluating local authority managers, 57 per cent of respondents reported that the elected council conducted this task. However, 39 per cent of respondents also referred to the Committee for Performance Awards in this context. A small number of responses indicated that the minister is

also involved in the evaluation of managers. Turning to the issue of results-based management, 74 per cent of local authorities reported that divisions in their organisation were managed 'to a large extent' on the basis of results. Sixty-five per cent also reported that the development of internal reporting and evaluation systems to help management assess results on objectives 'happened to a large extent'.

8.6 Results-based management and resource allocation: 11 sub-sectors

Survey respondents were also questioned about the extent to which organisation divisions are managed and resources allocated on the basis of objectives and results.

For the eleven sub-sectors, the average results for managing divisions on the basis of objectives and results are as follows:

Does not happen	9%
Happens to some extent	27%
Happens to a large extent	38%
N/A	27%

A more detailed breakdown (Figure 8.6) demonstrates that the sub-sectors where management of divisions on the basis of objectives and results occurs 'to a large extent' most commonly are regional fisheries boards (67 per cent) and regional tourism authorities (50 per cent). Sixty-two per cent of VECs reported that it happened in their organisations 'to some extent'.

The norm for the allocation of resources based on results for the eleven sub-sectors is as follows:

Does not happen	20%
Happens to some extent	27%
Happens to a large extent	14%
N/A	39%

A similar breakdown of these results by sub-sector in Figure 8.7 demonstrates that Partnerships (60 per cent) and regional tourism authorities (50 per cent) are the most likely organisations for this to happen 'to a large extent'. Again, 62 per cent of VECs and 50 per cent of regional tourism authorities said that it occurred 'to some extent'.

Some sub-national bodies have contracts with their parent departments. For example, regional fisheries boards had performance contracts with the Department of Communications, Marine and Natural Resources, normally reviewed each year. However, the nature of the work undertaken by the

Fig. 8.6: Does the organisation manage divisions on the basis of objectives and results? (%)

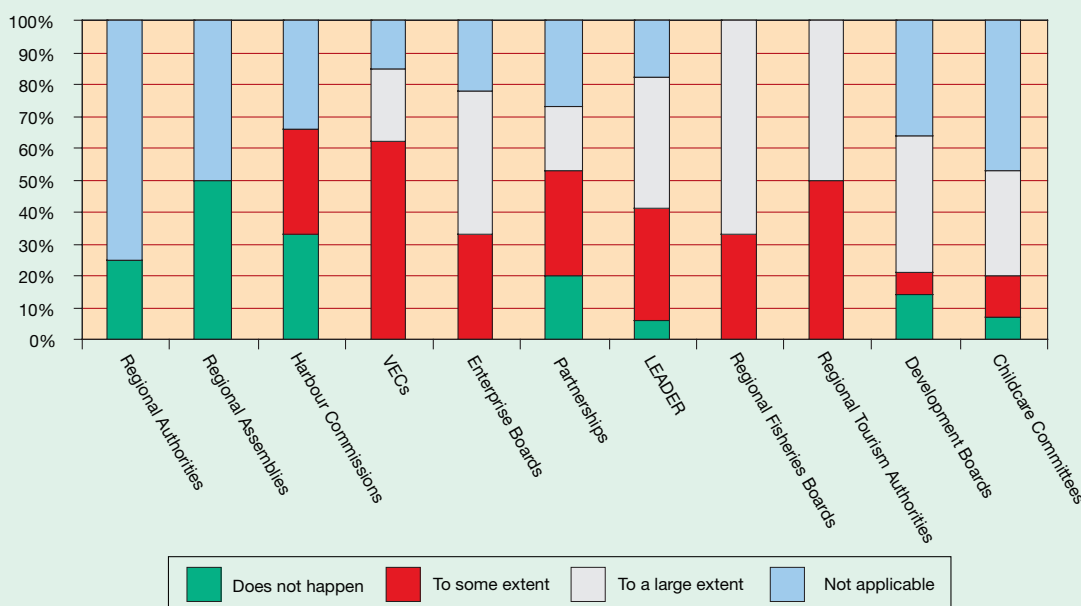
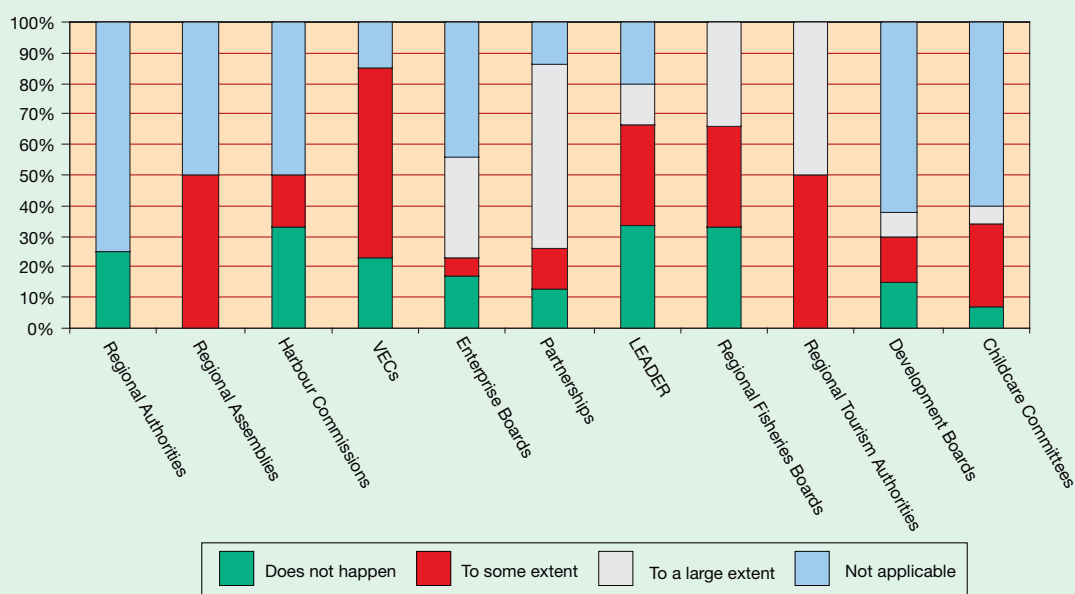


Fig. 8.7: Does the organisation allocate resources to divisions on the basis of results? (%)

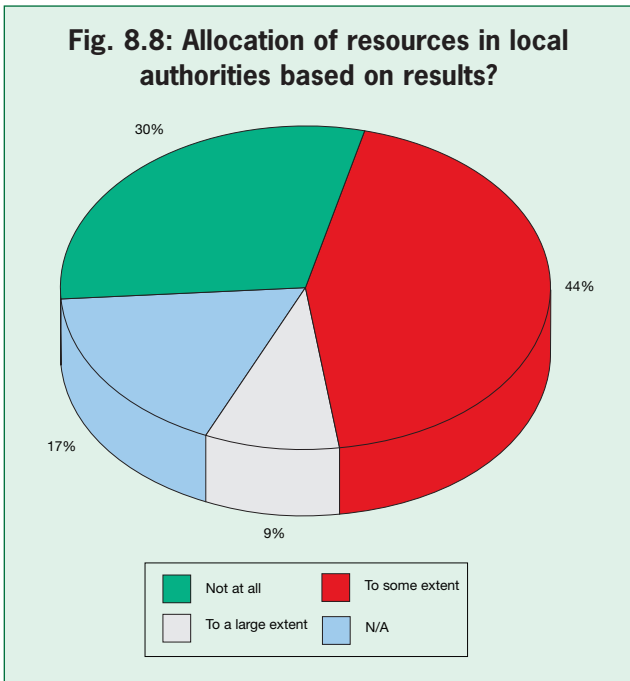


boards made performance targets difficult to identify. LEADER groups have service-level contracts with the Department of Community, Rural and Gaeltacht Affairs. That department also has a framework agreement with *Pobal*, as the funding body for Partnerships, rather than with the companies themselves.

8.7 Results-based management and resource allocation: local authorities

For local authorities, the vast majority (96 per cent) of respondents reported that divisions are managed

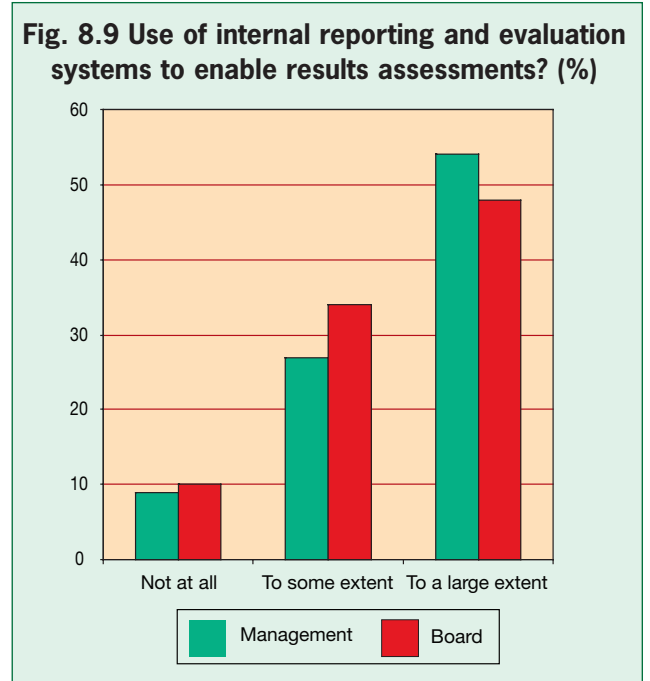
on the basis of resources being allocated according to objectives and results either ‘to some extent’ or ‘to a large extent’. However, interviews indicate that local authorities also allocate resources according to assessed need, and are legally bound to fund certain services. Furthermore, as well as economic efficiency, local authorities must take social and environmental factors into consideration in such allocations. The fact that many local authority services are not performed on the basis of simple economic viability is borne out in Figure 8.8. It demonstrates that just over half of local authorities responded that resources are allocated to divisions



on the basis of results, with almost a third indicating that this was not necessarily the case.

8.8 Developing internal reporting and evaluation systems: 11 sub-sectors

The use of internal reporting and evaluation systems is a method of helping assist in the assessment of results in the pursuit of objectives. Survey respondents were queried about the extent to which this is done by both *management* and the *board* of their organisation. For the eleven sub-sectors, similar results for both boards and



management teams were returned, and again the vast majority of organisations used such systems either ‘to a large extent’ or ‘to some extent’ (Figure 8.9).

Looking at the extent to which the boards used such systems within the various sub-sectors, it is most likely to happen in enterprise boards (77 per cent), childcare committees (64 per cent), LEADER groups (56 per cent), Partnerships (53 per cent) and regional tourism authorities (50 per cent). As Figure 8.10 illustrates, it is least likely to happen in harbour commissions and regional fisheries boards.

Turning to management in the sub-sectors, it is

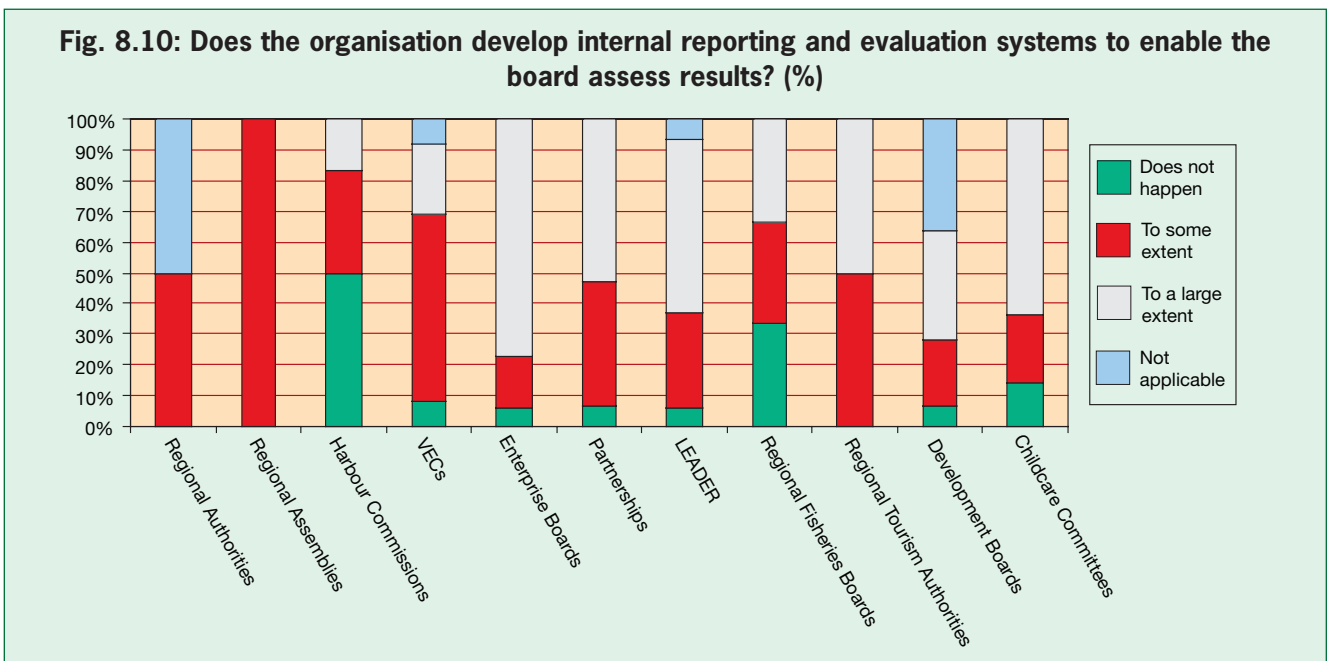
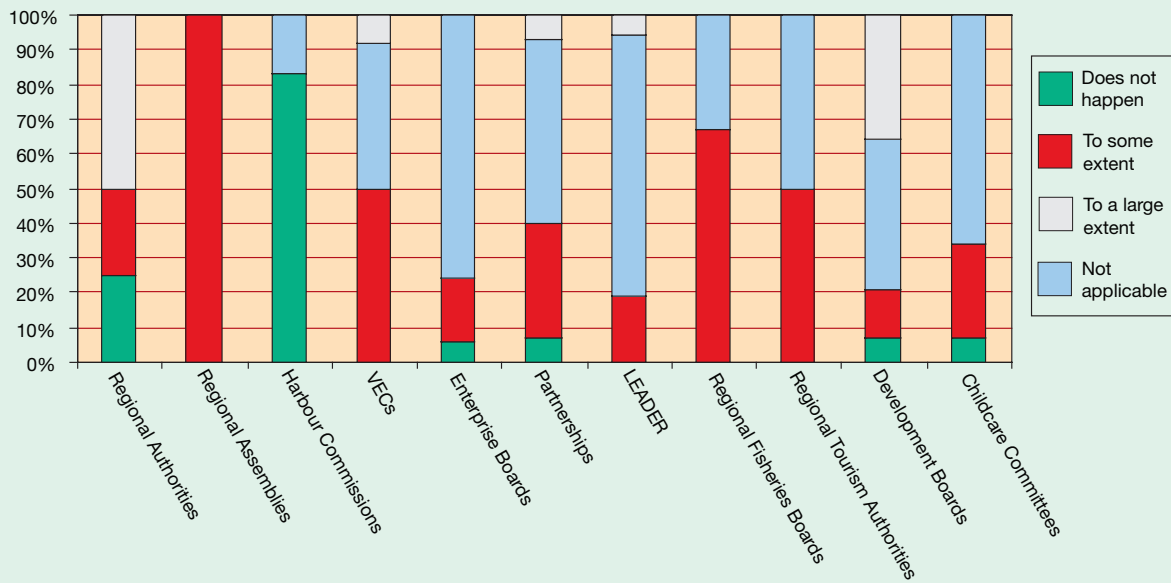


Fig. 8.11: Does the organisation develop internal reporting and evaluation systems to enable management to assess results? (%)



evident that the management teams most likely to use internal reporting and evaluation systems ‘to a large extent’ are the enterprise boards (76 per cent), LEADER groups (75 per cent), childcare committees (66 per cent), Partnership companies (53 per cent) and regional tourism authorities (50 per cent). Again, as Figure 8.11 describes, it is least likely to happen in harbour commissions and regional fisheries boards.

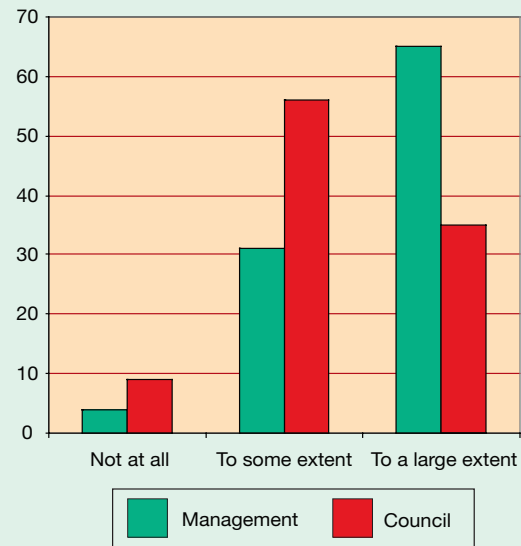
8.9 Developing internal reporting and evaluation systems: local authorities

For local authorities, as Figure 8.12 demonstrates, management is more likely than the councils to use internal reporting and evaluation systems. Overall, over 90 per cent of both councils and management teams report using such systems either to ‘a large extent’ or ‘to some extent’.

8.10 Summary

Survey responses indicate that all local and regional bodies have a board (compared to 69 per cent of national bodies), appointed by a variety of means from popular or stakeholder election to ministerial nomination. The two largest cohorts of representatives to local and regional bodies (excluding local authorities) are stakeholder representatives and members of local authorities nominated to serve on boards of other organisations. A majority of boards surveyed are moving from being concerned with operational

Fig. 8.12 Use of internal reporting and evaluation systems to enable results assessments in local authorities? (%)



issues to more strategic matters. The roles of the vast majority of CEOs (or equivalent) are in writing. Most CEOs are accountable for results, functioning of the organisation, budget administration and compliance with rules and regulations. Half of the CEOs are employed on a permanent basis, while half are on fixed-term contracts. The majority of CEOs are evaluated by their boards. A majority of respondents also reported that both management and boards use internal reporting and evaluation systems to enable results assessment ‘to a large extent’.

While no local politicians are on the boards of national non-commercial bodies, a significant number of city and county councillors sit on the boards of local and regional bodies, and they comprise 35 per cent of all board members at local and regional level. Stakeholder representatives comprise a further 31 per cent (Table 8.2). Also, while 29 per cent of board members of national bodies are independent experts, only 3 per cent of those on the boards of local and regional bodies are. There is also considerable variation across sub-sectors in terms of CEO appointment mechanisms, contracts and evaluation.

The boards of **regional authorities** consist solely of local councillors and the CEOs are on fixed-term contracts.

The CEOs of **regional assemblies** are accountable for issues other than results, functioning of the organisation, budget administration and compliance with rules and regulations.

Harbour commissions have very diverse board memberships.

A majority of **vocational education committees** reported that management of divisions on the basis of results happened 'to some extent' in their organisation.

City and county enterprise boards have the most diverse board memberships. The management and boards of enterprise boards are most likely of all sub-sectors to use internal reporting and evaluation systems to enable results assessment.

Partnership company boards average at around twenty members. Partnerships are the most likely to allocate resources on the basis of objectives and results.

Almost a third of **LEADER** groups responded that their boards are moving from operational to more strategic issues. The management of LEADER

groups are very likely to use internal reporting and evaluation systems to enable results assessment.

Regional fisheries boards had a relatively large average board size of twenty-two. They are most likely of all sub-sectors to manage divisions on the basis of results and objectives. The use of internal reporting and evaluation systems to enable results assessment by management and boards is least likely in regional fisheries boards.

Fifty per cent of **regional tourism authorities** reported that their boards are moving from operational to more strategic issues. Allocating resources on the basis of objectives and results is also very likely to happen in the authorities.

City and county development boards have relatively large average board sizes of twenty-three members. The role of the local authority officer (normally the director of service) who works with the board is not in writing, but they are evaluated by the city or county manager.

The boards and management of **city and county childcare committees** are very likely to use internal reporting and evaluation systems to enable results assessment.

For **local authorities**, the city and county manager would appear to be accountable to the elected council for everything in the organisation, with whom he or she works closely. A large number of respondents noted that internal reporting and evaluation systems are being extensively developed to assess results on objectives, and that divisions in the organisation are managed on the basis of results. However, only half of local authority respondents responded that resources are allocated on the basis of results. Survey responses also indicate that local authority management is more likely than elected members to use internal reporting and evaluation systems.

9

Relationship between non-commercial local and regional bodies and parent departments and bodies

9.1 Introduction

Identifying the best method for ‘parent’ organisations to steer or control those bodies under their remit has spawned an array of official and academic literature, particularly in the field of performance measurement and management⁸⁷. If a public body has no autonomy and too many accountability demands placed on it, questions naturally arise concerning the need for its existence. At the other extreme, public bodies with too much autonomy and little accountability requirements to fulfil may not achieve efficient use of public resources. In between these two poles, an array of management techniques and accountability arrangements exist, and in this chapter the principal structures and processes governing the relationship between local and regional organisations and parent departments and bodies are identified.

Non-commercial local and regional public service organisations have contact with their parent departments or bodies through a variety of means. As noted in Chapter 7, some of these contacts are made through regular reporting mechanisms, while some departments might on occasion attend meetings held between the duplicate bodies under their aegis. It has also been noted earlier how parent departments or bodies are involved to varying degrees with issues concerning HR, policy and financial management in local and regional bodies. In this section the extent and nature of formal steering meetings between local and regional non-commercial bodies and their parent entities are examined, as are any informal contacts that occur. Corresponding figures for the study of national level bodies are not available.

9.2 Contacts with departments and parent bodies: 11 sub-sectors

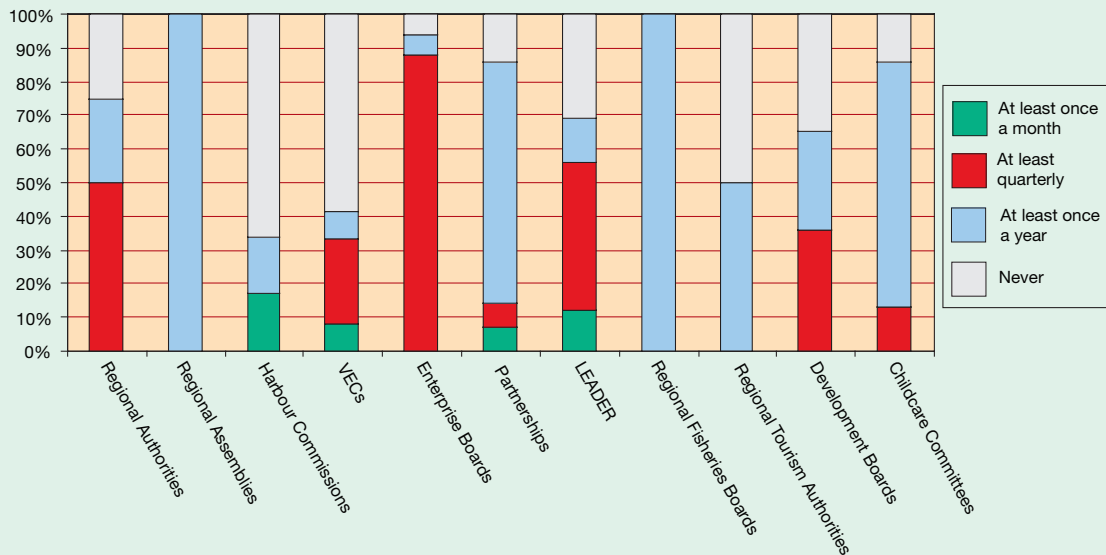
Figure 9.1 demonstrates that very few organisations at local and regional level engage in monthly formal meetings with their parent departments. The modal response for the eleven sub-sectors is ‘at least once a year’ (36 per cent). However, a substantial percentage (27 per cent) of organisations responded that they have no formal contact annually, with one third (33 per cent) reporting that they had such meetings ‘quarterly’.

The sub-sectors most likely to say that they never formally meet with their parent departments are the harbour commissions (66 per cent), VECs (58 per cent) and regional tourism authorities (50 per cent). However, interviews reveal that these figures reflect the fact that other fora exist for formal communication. In the case of harbour commissions, formal meetings are unnecessary as they employ part-time personnel, and such meetings are arranged only if an issue warrants it. The Irish Vocational Education Association, which represents VECs, is a ‘named partner’ for the purposes of consultation with the Department of Education and Science, and meets at least quarterly with department officials. Also, while the comparative autonomy of regional tourism authorities meant that many rarely had formal meetings with the Department of Arts, Sports and Tourism, Fáilte Ireland has formal quarterly engagement with the department – known as the Bilateral Consultative Committee. Interviews suggest that when the regional tourism authorities did meet with the department, it was usually to lobby for something.

At the other end of the scale, the sub-sectors most likely to have quarterly formal meetings are the

⁸⁷ Pollitt, C. and Talbot C. (eds) *Unbundled Government: A Critical Analysis of the Global Trend to Agencies, Quangos and Contractualisation* (London: Routledge, 2004); Pollitt, C.; Talbot, C.; Caulfield, J. and A. Smullen (eds) *Agencies: How Governments do things through Semi-Autonomous Organisations* (Basingstoke: Palgrave Macmillan, 2004); OECD *Distributed Public Governance: Agencies, Authorities and other Government Bodies* (OECD: Paris, 2002).

Fig. 9.1: Frequency of formal meetings between parent body and organisation



enterprise boards (88 per cent), regional authorities (50 per cent) and LEADER companies (45 per cent). In the latter case, representatives from each LEADER group meet once a month and the department attends such meetings on four to five occasions per year. Similarly, the Department of Enterprise, Trade and Employment may attend meetings of the Association of City and County Enterprise Boards.

Of course, other avenues of communication between local and regional bodies and their parent bodies/ministers exist. For example, in respect of regional fisheries boards, the CEO of each board regularly meets with the CEO of the Central Fisheries Board to form the National Fisheries Management Executive (NFME) which co-ordinates issues relating to the fisheries under their remit. Departmental representatives regularly attend this forum to engage with the CEOs. The NFME can advise the minister on matters concerning the management of the fisheries⁸⁸. Also, the fisheries boards have a 'liaison group' consisting of the CEOs, chair and one other board member from each of the regions as well as the Central Fisheries Board. The department has occasionally addressed meetings of this group. Partnerships have a representative network known as PLANET⁸⁹ which makes submissions on behalf of the companies to *Pobal* and other organisations.

Survey respondents were asked to what extent

the following issues were discussed at these formal meetings:

- economic issues
- professional issues
- the achievement / reporting on results.

For the eleven sub-sectors, 44 per cent reported that such meetings focused on economic issues to 'a large extent', while 45 per cent said they did so 'to some extent'. Within this there is considerable variation however – the harbour commissions responses indicate that economic issues are focused on to a large extent, while all responding regional tourism authorities noted that economic issues are focused on 'to some extent'. Formal meetings with regional assemblies did not consider economic issues at all.

In terms of professional issues, Figure 9.3 demonstrates that 59 per cent of all sub-sectors responded that these are focused on 'to some extent'. Sixty-one per cent of enterprise boards and 33 per cent of harbour commissions, however, reported that professional issues are focused on 'to a large extent'. Interestingly, all responding regional authorities noted that professional issues are never considered at their meetings with the Department of the Environment, Heritage and Local Government.

Finally, in terms of the achievement or reporting of results, 65 per cent of all other sub-sectors noted

⁸⁸ Department of Communications, Marine and Natural Resources *Review of the Inland Fisheries Sector in Ireland – Stage 1* (Dublin: FGS Consulting, 2005), p. 9

⁸⁹ For more information see www.planet.ie

Fig. 9.2: To what extent are economic issues focused on during meetings? (%)

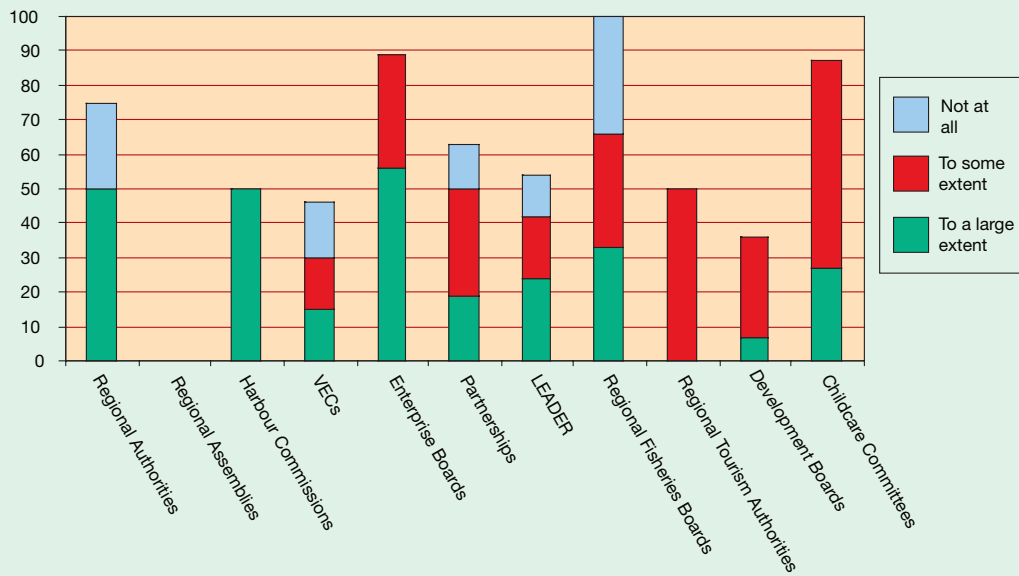
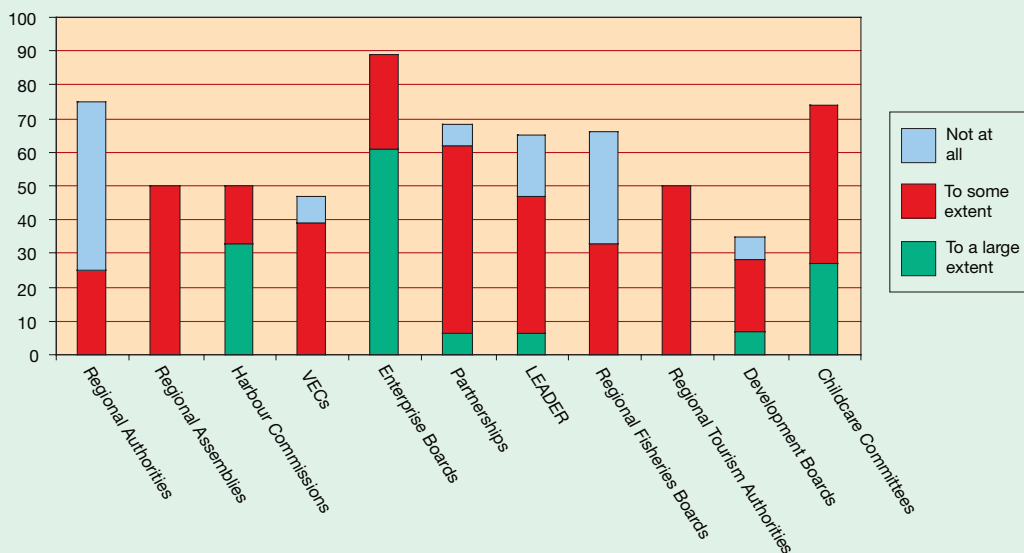


Fig. 9.3: To what extent are professional issues focused on in meetings? (%)



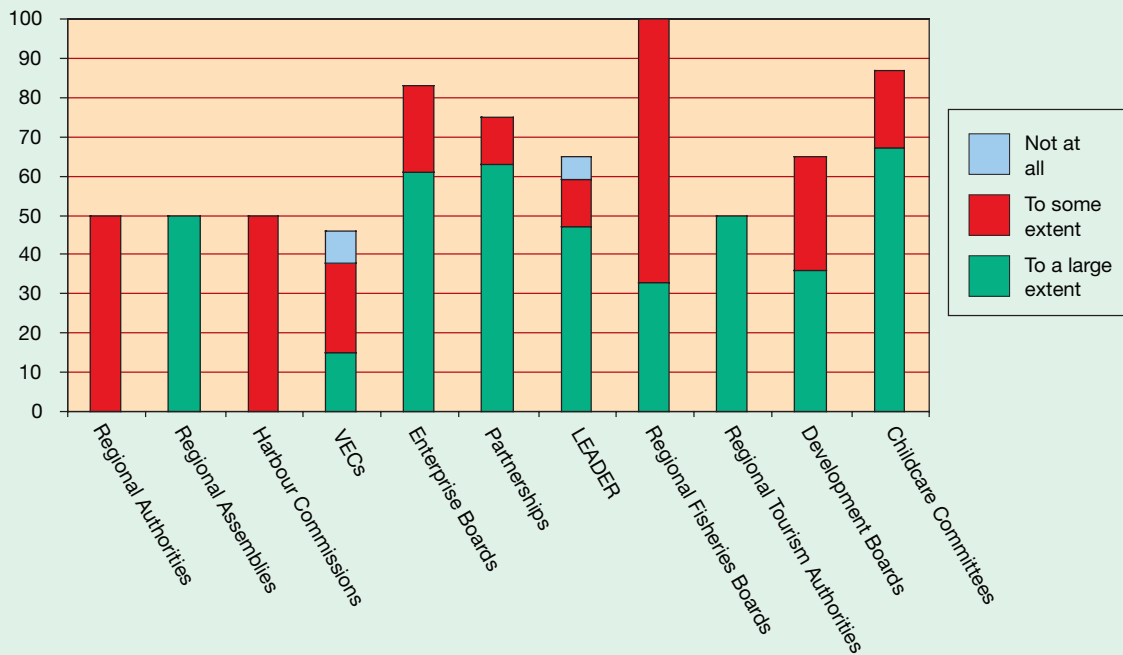
that this is focused on ‘to a large extent’ in their meetings. Very few local and regional bodies (3 per cent) stated that they never focused on such issues. However, 100 per cent of the responding harbour commissions and regional authorities, and 67 per cent of regional fisheries boards, noted that the formal meetings only did so to some extent.

9.3 Contacts between local authorities and the Department of the Environment, Heritage and Local Government

Local authorities do not have a ‘parent’ department in the sense used to describe the relationship between organisations in other sub-sectors and

central government. However, local authorities have a close working relationship with the Department of the Environment, Heritage and Local Government. Local authorities do not have corporate formal meetings as such with the department. Hence, in the survey 43 per cent of local authorities indicated that they never meet with the department. Instead, a variety of formal and informal routes of communication and interaction exist. This is reflected in the response by 35 per cent of local authorities who reported that they meet the department at least once a year, with a further 13 per cent stating such meetings took place at least quarterly, and 9 per cent at least once a month. Interviews reveal that the department’s

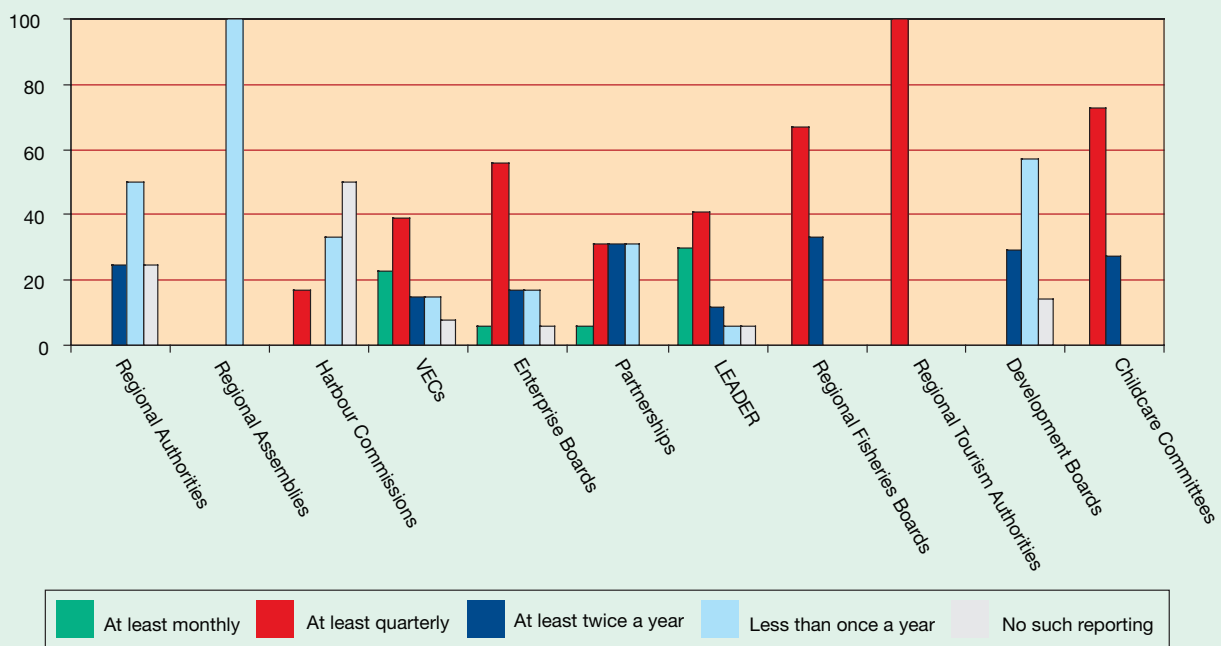
Fig. 9.4: To what extent is the achievement or reporting of results focused on in meetings? (%)



management advisory committee (MAC), including the secretary-general (and on occasion the minister), meet twice a year with the executive of the City and County Managers Association (CCMA) to discuss high-level issues of concern to local authorities. The various divisions within the department, such as housing or water for example, also meet with CCMA committees to discuss issues concerning the various programme areas. There are

also continuous communications between the department and local authorities through circulars, e-mails and telephone. Local government elected member associations such as the Local Authority Members' Association (LAMA), the Association of Municipal Authorities of Ireland (AMAI) and the Association of County and City Councils (ACCC) also have regular contact with the department at administrative and political levels.

Fig. 9.5: How frequently does organisation report non-financial results to parent body? (%)



Fifty-four per cent of local authorities responded that meetings focused on economic issues to ‘a large extent’, while 31 per cent said they did so ‘to some extent’. In terms of professional issues, two thirds of local authorities reported that these are focused on ‘to some extent’. Finally, in terms of the achievement or reporting of results, 77 per cent of local authorities stated that this is focused on ‘to a large extent’ in their meetings.

9.4 Reporting on non-financial results and informal contact: 11 sub-sectors

For the eleven sub-sectors, an average of 39 per cent of organisations reported non-financial results to their parent department or body at least quarterly, 20 per cent at least twice a year and 20 per cent less than once a year. Looking at the results for these sub-sectors in more detail in Figure 9.5, it is clear that very few organisations (and mainly VECs and LEADER groups) report non-financial results more frequently than monthly. However, a significant percentage of enterprise boards (56 per cent), regional fisheries boards (67 per cent), childcare committees (73 per cent) and all of the regional tourism authorities reported on non-financial results at least quarterly. Both regional assemblies, 57 per cent of development boards and half of the regional authorities reported on non-financial results less than once a year.

Apart from formal meetings at which economic,

professional and results-related issues are discussed, local and regional bodies have informal contact with their parent organisations. Such informal contact may consist of meetings without written proceedings, e-mails or phone calls. Interviews suggest that phone calls between the bodies and parent departments are very frequent. The norm for the eleven sub-sectors in terms of such contact is as follows:

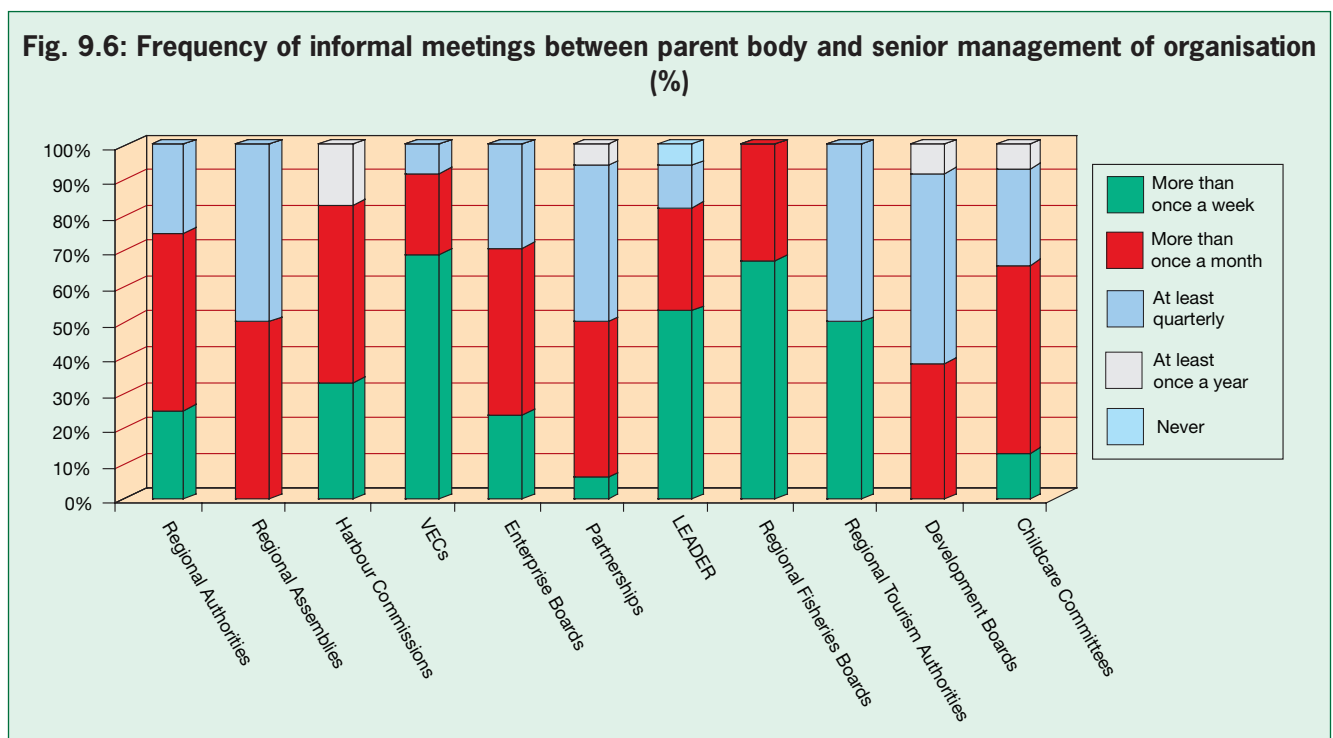
- More than once a week 28%
- More than once a month 40%
- At least quarterly 27%
- At least once a year 4%
- Never 1%

Figure 9.6 below identifies the frequency with which each sub-sector experiences such contact.

The sub-sectors that had the most frequent informal contact with their parent entities are the VECs (69 per cent), regional fisheries boards (67 per cent), LEADER companies (53 per cent) and regional tourism authorities (50 per cent).

9.5 Reporting on non-financial results and informal contact: local authorities

In terms of reporting to the Department of the Environment, Heritage and Local Government on non-financial results, 36 per cent of local authorities responded that they did so at least twice



a year, while 32 per cent did so at least quarterly. A further 18 per cent stated that they did so only once a year. Informal contacts between local authorities and the department also occurred, and 57 per cent responded that they had such contact at least once a week, with a further 39 per cent stating that they did so at least once a month.

9.6 Summary

One third of local and regional bodies (other than local authorities) responded that they met with their parent department quarterly. Almost a quarter reported that they never formally meet with their parent department, while 36 per cent reported doing so annually. Sixty-five per cent reported that such meetings focussed on the achievement and reporting of results ‘to a large extent’. Many of the sub-sectors have representative bodies such as the Association of City and County Enterprise Boards, the National Fisheries Management Executive or PLANET (LEADER groups) which also act as conduits between local and regional organisations and parent bodies. Informal contact by telephone and e-mail is very common, with almost 70 per cent of survey respondents noting that it occurred at least once a month, if not more frequently.

Formal meetings between **regional authorities** and the Department of the Environment, Heritage and Local Government are relatively frequent and tend to focus mainly on economic issues.

Regional assemblies do not report regularly on non-financial results and tend to meet with the Department of the Environment, Heritage and Local Government infrequently.

Harbour commissions are the sub-sector least likely to meet with their parent department.

Vocational education committees tended not to meet formally with the Department of Education and Science, and instead the Irish Vocational Education Association represents their interests. VECs frequently report on non-financial results and

are the most likely sub-sector to make informal contact with their parent department.

City and county enterprise boards are most likely to have formal quarterly meetings with their parent department (Enterprise, Trade and Employment). Professional issues and the achievement and reporting of results are mainly focussed on. A large number of enterprise boards noted that they report on non-financial results at least quarterly.

Partnerships have a representative network which makes representations on their behalf.

LEADER groups report on non-financial results regularly, and the achievement and reporting of results are the main issues of concern at meetings with the Department of Community, Rural and Gaeltacht Affairs.

Regional fisheries boards are amongst the most likely sub-sectors to make informal contact with their parent department.

Regional tourism authorities were not likely to meet formally with their parent department, communicating principally with Fáilte Ireland instead. The achievement and reporting of results provided the main focus at such meetings.

City and county development boards tend not to formally meet with the Department of the Environment, Heritage and Local Government.

A large majority **city and county childcare committees** responded that they report on non-financial results at least quarterly. At meetings with their parent department, the achievement and reporting of results are the principal matters, ahead of professional or economic issues.

A variety of communication channels are used between **local authorities** and the Department of the Environment, Heritage and Local Government. In particular, meetings between the department’s management advisory committee and the City and County Managers’ Association provide an important channel of communication. Meetings tended to focus on the achievement and reporting of results. Local authorities also regularly report on non-financial results to the department.

10

Towards a new approach to non-commercial regional and local bodies

10.1 Introduction

This chapter collates the main findings from Chapters 5 to 10 by sub-sector, and also presents some general conclusions. The variations in these findings demonstrate that global recommendations for future corporate governance reforms of local and regional bodies must be cognisant of the individual circumstances pertaining within each sub-sector. The chapter also presents some recommendations for the future development of corporate governance arrangements in non-commercial local and regional bodies.

All local and regional bodies surveyed in this report are duplicate bodies, and while they perform a wide range of activities, these activities are not necessarily as diverse or specialised as they are for national bodies. For national bodies, the key primary functions are providing advice, implementing policy, regulation and providing information. However, for local and regional bodies (other than local authorities), the principal function identified is co-ordination followed closely by the direct implementation of policy (Table 4.1). Local authorities identify policy implementation as their main function.

Table 10.1 presents the summary findings with

regard to the autonomy of local and regional bodies in respect of strategic HR, individual HR, finance and policy. It demonstrates the wide range in variety between sub-sectors with no clear patterns or relationships emerging between the various issues. It is notable, however, that local and regional bodies are, on average, likely to have more autonomy over HR issues for individual staff and policy than for strategic HR and finance issues.

The table yields some interesting findings in relation to individual sub-sectors. For example, harbour commissions, Partnerships and LEADER groups display high levels of HR (strategic and individual) autonomy. However, regional authorities, VECs, enterprise boards and development boards display low levels of equivalent HR autonomy.

Of all sub-sectors, regional tourism authorities exhibited the highest level of financial autonomy, reflecting the commercial nature of their work. This strong financial autonomy is matched by a similarly high level of policy autonomy. Regional authorities, harbour commissions, enterprise boards, regional fisheries boards and childcare committees have low financial autonomy but some (moderate) policy autonomy in their respective fields. City and county development boards, whilst having no financial

Table 10.1: Autonomy of Local and Regional Bodies

Sub-Sector	Strategic HR Autonomy	HR Autonomy for individual staff	Financial Autonomy	Policy Autonomy
Regional Authorities	Minimum	Low	Low	Moderate
Regional Assemblies	Low	Moderate	Low	High
Harbour Commissions	Maximum	Maximum	Low	Moderate
VECs	Minimum	Low	Moderate	Moderate
Enterprise Boards	Minimum	Low	Low	Moderate
Partnerships	High	Maximum	Moderate	Moderate
LEADER	Maximum	Maximum	Moderate	Moderate
Reg. Fisheries Boards	Minimum	Moderate	Low	Moderate
Reg. Tourism Authorities	Low	Moderate	High	High
Development Boards	Minimum	Low	None	Maximum
Childcare Committees	Moderate	High	Low	Moderate
Local Authorities	Minimum	Moderate	Moderate	Moderate

autonomy and low HR autonomy, reported having maximum levels of policy autonomy, albeit within a defined framework. Local authorities have only moderate policy and financial autonomy but are engaged in a multitude of tasks.

10.2 The 11 sub-sectors – general findings

As outlined in Chapter 4, the eleven (non-directly elected) sub-sectors range considerably in age and function. However, some important patterns emerge. Just as the study of national non-commercial bodies found a sharp increase in the number of such bodies being established since the early 1990s, so too do the majority of sub-national bodies (80 per cent) date from 1990 onwards. Also, co-ordination emerges as a defining feature of sub-national government in Ireland. Almost one third (32 per cent) of local and regional bodies view co-ordination as their main role, which demonstrates recognition of a high level of activity diffusion at sub-national level, and the need to avoid duplication. A further 28 per cent view direct implementation of policy as their primary role with another 18 per cent identifying specialist areas of work.

In terms of secondary function, analysis of the norm for the eleven sub-sectors again identifies co-ordination as featuring strongly (23 per cent). Other prominent roles for sub-national bodies include the provision of information, advising, the direct implementation of policy and promotional (non-commercial) development.

There is currently considerable institutional reconfiguration at sub-national level, and at least three sub-sectors (harbour commissions, regional fisheries boards and regional tourism authorities) have recently been abolished or are in the process of reform or having their main functions subsumed by other organisations. Many Partnership companies and LEADER groups have also recently been merged, with more to follow. Membership of the EU has also resulted in institutional change at the sub-national level, and at least half (54 per cent) of organisations other than local authorities noted that the EU had a ‘strong influence’ on their current organisation form. A further 32 per cent reported that the EU had had ‘some influence’ in this regard.

A significant number of sub-national bodies have Articles and Memoranda of Association and interviews suggest that the Code of Practice for the Governance of State Bodies is used extensively.

The norm for the eleven sub-sectors reveals that the aspect of general HR policy which regional and

local organisations are most likely to have autonomy over is establishing staff evaluation schemes. Few organisations have discretion over salary levels. Local and regional bodies also have considerable discretion over staff appointment and selection procedures (61 per cent), and dismissal criteria (56 per cent). Approximately half of the bodies practice some form of internal HR management devolution.

The vast majority of local and regional bodies receive their funding from central government. However, several raise some revenue themselves for current expenditure, including harbour commissions and Partnership companies. The EU is also an important source of funding for other sub-sectors although this will change in the context of Ireland’s move from being a net recipient to a net donor within the Union. Few can take out loans or shift budget by year without ministerial or departmental approval, but many can shift budgets by function. Just over half of the eleven sub-sector respondents report having an audit committee in their boards, and almost all have been audited externally in the last two years. Audits tend to focus more on financial results, legality and compliance and internal control systems, than on organisational results.

Only 15 per cent of sub-national bodies (other than local authorities) have discretion over deciding on target groups, while the equivalent figure for policy instruments is 13 per cent. Local and regional bodies are also more likely to report on strategy, objectives, planned investment, financial and non-financial targets than national non-commercial bodies, as well as reporting on work completed in these areas. Eighty-nine per cent of local and regional bodies in the eleven sub-sectors produce annual reports. The vast majority also publicly report on financial and non-financial performance. Fifty-six per cent state that they feel the number of performance indicators has increased and an equal number report that indicators are used ‘to a large extent’ in their relationship with their parent department or body. Apart from harbour commissions, all sub-sectors’ non-financial results are evaluated by themselves and an external body, which may or may not be their parent department. Approximately three quarters report that there are no rewards for meeting their goals (mainly resource increases where they do exist), while about half said sanctions existed.

Survey responses indicate that all local and regional bodies have a board (compared to 69 per cent of national bodies), appointed by a variety of

means from popular or stakeholder election to ministerial nomination. The two largest cohorts of representatives to local and regional bodies (excluding local authorities) are stakeholder representatives and members of local authorities nominated to serve on boards of other organisations. A majority of boards surveyed are moving from being concerned with operational issues to more strategic matters. The role of the vast majority of CEOs (or equivalent) are in writing. Most CEOs are accountable for results, the functioning of the organisation, budget administration and compliance with rules and regulations. Half of the CEOs are employed on a permanent basis, while half are on fixed-term contracts. The majority of CEOs are evaluated by their boards. A majority of respondents also reported that both management and boards use internal reporting and evaluation systems to enable results assessment 'to a large extent'.

While no local politicians are on the boards of national non-commercial bodies, a significant number of city and county councillors sit on the boards of local and regional bodies, and they comprise 35 per cent of all board members at local and regional level. Stakeholder representatives comprise a further 31 per cent (Table 8.2). Also, while 29 per cent of board members of national bodies are independent experts, only 3 per cent of those on the boards of local and regional bodies are. There is also considerable variation across sub-sectors in terms of CEO appointment mechanisms, contracts and evaluation.

One-third of local and regional bodies (other than local authorities) responded that they meet with their parent department quarterly. Almost a quarter reported that they never formally meet with their parent department, while 36 per cent do so annually. Sixty-five per cent report that such meetings focus on the achievement and reporting of results 'to a large extent'. Many of the sub-sectors have representative bodies such as the Association of City and County Enterprise Boards, the National Fisheries Management Executive or PLANET (LEADER groups) which also act as conduits between local and regional organisations and parent bodies. Informal contact by telephone and e-mail is very common, with almost 70 per cent of survey respondents noting that it occurred at least once a month, if not more frequently.

10.3 Findings by sub-sector

Regional authorities have minimum levels of strategic HR autonomy and low HR autonomy for

individual staff. Also, they do not practice internal HR management devolution. For regional authorities, the primary source of income is transfers from local authorities, and results indicate that they have low financial autonomy. They have no internal audit committees but are audited by the Comptroller and Auditor-General. Regional authorities have moderate policy autonomy. They do not use performance indicators in their strategy statements. The boards of regional authorities consist solely of local councillors and the CEOs are on fixed-term contracts. Formal meetings between regional authorities and the Department of the Environment, Heritage and Local Government are relatively frequent and tend to focus mainly on economic issues.

Regional assemblies have low levels of strategic HR autonomy and moderate levels of HR autonomy for individual staff. However, both use some forms of internal HR management devolution. As with regional authorities, regional assemblies have low financial autonomy and their primary source of income is transfers from local authorities. Their funding is distributed as agreed under the National Development Plan 7-year framework. Neither have an internal audit committee but the Comptroller and Auditor-General audits them. Regional assemblies have high levels of policy autonomy. They do not use performance indicators in their strategy statements but those indicators that exist focus principally on their use of resources. The CEOs of regional assemblies are accountable for issues other than results, functioning of the organisation, budget administration and compliance with rules and regulations. Regional assemblies do not report regularly on non-financial results and tend to meet with the Department of the Environment, Heritage and Local Government infrequently on a formal basis (but regularly by informal means). The assemblies also meet with the Department of Finance.

Harbour commissions have maximum strategic HR autonomy, including the greatest autonomy over setting staff numbers and salaries as these roles rest with the commissioners themselves. They also have maximum HR autonomy for individual staff, though staff numbers tend to be small. Harbour commissions generate their own current expenditure through charges and fees, within limits set by the minister. Overall they have low financial autonomy. Of all sub-sectors, harbour commissions are the most likely to have to operate within ministerial or departmental limits on target groups and policy instruments. They have moderate policy

autonomy. They tend not to produce reports due to their size and do not use performance indicators either. Almost all of them set their own goals. Harbour commissions have very diverse board memberships. Harbour commissions are the sub-sector least likely to meet with their parent department.

Vocational education committees have minimum strategic HR autonomy, with no ability to set staff numbers or salary levels, which is instead decided upon centrally. They also have low HR autonomy for individual staff. VECs have moderate financial autonomy and in general budgets are tightly controlled by the Department of Education and Science. All of them have audit committees. VECs have moderate policy autonomy, applying local discretion to goals and objectives set centrally. Their performance indicators tend to focus extensively on the use of resources. A majority of VECs report that management of divisions on the basis of results happens 'to some extent' in their organisation. VECs tend not to meet formally with the Department of Education and Science, and instead the Irish Vocational Education Association represents their interests. VECs frequently report on non-financial results and are the most likely sub-sector to make informal contact with their parent department.

City and county enterprise boards also have minimum strategic HR autonomy and low HR autonomy for individual staff. They do not have the freedom to take out loans and display low financial autonomy. All of them have audit committees on their boards. They have little discretion over deciding on policy instruments, and even less on target groups. They have moderate policy autonomy overall. They are most likely to produce documents on planned investment for their parent departments. A majority of respondents noted that sanctions existed for them for not meeting targets. City and county enterprise boards have very diverse board memberships. The management and boards of enterprise boards are most likely of all sub-sectors to use internal reporting and evaluation systems to enable results assessment. City and county enterprise boards are most likely to have formal quarterly meetings with their parent department (Enterprise, Trade and Employment). Professional issues and the achievement and reporting of results are mainly focussed on. A large number of enterprise boards noted that they report on non-financial results at least quarterly.

Partnership companies also reported having a high degree of autonomy over the ability to set staff

numbers and salaries. Overall, while they liaise closely with *Pobal*, they have high strategic HR autonomy and maximum HR autonomy for individual staff. A majority of Partnerships responded that they could take out loans without having to seek the approval of the department or minister. However, the approval of *Pobal* is normally necessary. Overall they have moderate financial autonomy. Partnerships have moderate policy autonomy. Most of them produce multi-annual business plans and planned investment requires city or county development board endorsement. Most of them set their goals in co-operation with *Pobal* and the department. Indicators played an important role in their relationship with their parent body, and are used in reporting to the regional assemblies. Partnership company boards average at around twenty members. Partnerships are the most likely to allocate resources on the basis of objectives and results. Partnerships have a representative network which makes representations on their behalf.

LEADER groups have maximum strategic HR autonomy, including a lot of autonomy over their staff numbers and salaries, once financial prudence is exercised. They also have maximum HR autonomy for individual staff. A large portion of LEADER groups' funding is derived from the EU, and they have moderate financial autonomy. A majority of respondents reported having freedom to take out loans without departmental approval. LEADER groups have moderate policy autonomy, including little discretion over deciding on target groups and policy instruments. After enterprise boards, they are most likely to submit documents on planned investment to their parent department. A number of LEADER groups do not produce annual reports. Most of them set their goals in co-operation with the department. Indicators played an important role in their relationship with their parent body. Almost a third of LEADER groups reported that their boards are moving from operational to more strategic issues. The management of LEADER groups are very likely to use internal reporting and evaluation systems to enable results assessment. LEADER groups report on non-financial results regularly, and the achievement and reporting of results are the main issues of concern at meetings with the Department of Community, Rural and Gaeltacht Affairs.

Prior to their abolition in 2006, HR-related issues for **regional fisheries boards** were centrally coordinated by the Central Fisheries Boards, and therefore the boards themselves had minimum

strategic HR autonomy and moderate HR autonomy for individual staff. Regional fisheries boards had a large degree of discretion over setting charges for services but otherwise had low financial autonomy. Each had an audit committee. Regional fisheries boards had moderate policy autonomy. Most of them set their goals in co-operation with the department. A majority of respondents noted that sanctions existed for them for not meeting targets. Regional fisheries boards had a relatively large average board size of twenty-two. They are most likely of all sub-sectors to manage divisions on the basis of results and objectives. The use of internal reporting and evaluation systems to enable results assessment by management and boards is least likely in regional fisheries boards. They are amongst the most likely sub-sector to make informal contact with their parent department.

Reflecting their company-like statutes, **regional tourism authorities** displayed high levels of autonomy over the ability to set staff numbers. However, they had limitations in respect of other HR issues and overall had low strategic HR autonomy. All of them also practiced internal HR management devolution and had moderate HR autonomy for individual staff. Of all sub-sectors, regional tourism authorities had the highest financial autonomy, and could take out loans and set charges as necessary. They received funding from membership fees, local authorities and grants from Fáilte Ireland. They were also most likely to extend financial management autonomy downwards internally and each of them had an audit committee. Regional tourism authorities are the sub-sector with the greatest discretion over deciding on target groups and policy instruments and overall had high policy autonomy. They are most likely of all sub-sectors to produce multi-annual business plans. Half of them responded that the performance indicators in their strategy statements reflected their work only to a small, if any, extent. Rewards did exist for the authorities, as did sanctions but to a lesser extent. Fifty per cent of regional tourism authorities responded that their boards were moving from operational to more strategic issues. Allocating resources on the basis of objectives and results was also very likely to happen in the authorities. Regional tourism authorities were not likely to meet formally with their parent department, communicating principally with Fáilte Ireland instead. The achievement and reporting of results provided a main focus at such meetings.

City and county development boards display minimum strategic HR autonomy and low levels of HR autonomy for individual staff. Budgets for city and county development boards tend to be small and are normally transferred from local authorities. They have no financial autonomy. Within their co-ordinating role, city and county development boards have maximum policy autonomy, and report having a large degree of discretion over deciding on target groups and policy instruments. A large minority of the boards do not produce annual reports. Almost all of the boards report having freedom to set their goals. A large number have over fifty performance indicators in their strategy statement, although many also noted the number of indicators had decreased. They are the only sub-sector where more of their indicators measured qualitative rather than quantitative results. City and county development boards have relatively large average board sizes of twenty-three members. The performance of the local authority officer (normally the director of service) who works with the board is evaluated by the city or county manager. City and county development boards tend not to formally meet with the Department of the Environment, Heritage and Local Government.

A large number of **city and county childcare committees** report being able to set staff numbers without ministerial or departmental influence. Combining their results reveals that they have moderate levels of strategic HR autonomy and high levels of HR autonomy for individual staff. City and county childcare committees derive most of their income from EU grants. They have low levels of financial autonomy but moderate policy autonomy. Indicators play an important role in their relationship with their parent body and tended to focus mainly on the use of resources, activities and tasks, and quantitative results. A majority of respondents noted that sanctions existed for them for not meeting targets. Their boards and management are very likely to use internal reporting and evaluation systems to enable results assessment. A large majority responded that they report on non-financial results at least quarterly. At meetings with their parent department, the achievement and reporting of results are the principal matters, ahead of professional or economic issues.

10.4 Findings for local authorities

Local authorities are exceptional in the context of this study, and cannot be considered as 'sub-

national bodies' in the manner other sub-sectors are. Given their democratic mandate and constitutional and legal obligation to provide civic leadership and promote the 'community interest', local authorities are at the heart of Irish sub-national government. Arguably one of the greatest challenges faced by councils is the need to continually adapt to the range of non-directly elected sub-national bodies operating in various policy domains and to develop more permeable boundaries in order to successfully operate in an inter-organisational environment. New modes of governance and increasing accountability requirements can be time-consuming and a balance must be forged between efficiency and ensuring stakeholder involvement in various processes. The unique role of local authorities necessitates that different criteria be used in any analysis of what constitutes good or successful local government. Nonetheless, the issues pursued in this study should inform any future consideration of corporate governance arrangements for Irish local government.

The limited discretion of Irish local authorities across a range of issues, from internal HR to independent revenue-raising, has been well documented. Against a normative view of local authorities as a self-financing, independent policy-making tier of government, Irish local authorities have tended to compare poorly. However, this study demonstrates that local authorities are the pivotal institutions of sub-national government in Ireland, and are vital to the successful implementation of many national policies. In fact, up to 40 per cent of the new National Development Plan 2007-13 will be delivered by local authorities.

The study bears out the fact that much of local authority activity is conducted within defined statutory frameworks, and many functions are performed according to legislative and departmental guidelines. In fact, this seems to be true of sub-national government generally and many local and regional bodies are similarly bound. However, within the aforementioned frameworks survey responses indicate that local authorities do have room for policy manoeuvre, customisation and innovation.

The fact that much of local authority activity is established in law accounts for the fact that almost three quarters of respondents noted that the primary role of their local authority is the direct implementation of policy. Also, 39 per cent stated that regulation is their principal secondary function. The multi-functional role of local

authorities is reflected in the fact that co-ordination, non-commercial promotional development and commercial development also feature in responses.

Local authorities display minimum levels of strategic HR autonomy. As per the public service generally, policy on staff numbers, salary levels and conditions for promotion are set centrally for all local authorities. One area where they have discretion is in relation to staff evaluation schemes. Almost every local authority practises some level of internal HR management devolution. In terms of individual HR autonomy, local authorities have moderate levels of autonomy. Most have discretion in relation to staff promotion, evaluation, dismissal and appointments, but little discretion in relation to salary and tenure.

Local authorities have moderate financial autonomy. In the overall, local authorities source some 56 per cent of their current expenditure from local sources (commercial rates 26 per cent; goods and services 30 per cent), with the remainder being provided by way of government grants/subsidies (23 per cent) and general-purpose grants from the Local Government Fund (21 per cent). For most, money from the Local Government Fund and grants are key sources of revenue for capital and current expenditure, with fees and charges also contributing a significant portion of income. While a minority of councils responded that they had audit committees (a point also noted by the recent Indecon report on Local Government Financing), recent legislative changes provide that such committees will be established in all local authorities, starting with city and county councils. They are also audited annually by the Local Government Audit Service, which also undertakes value for money evaluations across the local government sector. New financial management systems have also been rolled out, including the introduction of accrual accounting and risk management techniques.

In terms of target groups and policy instruments, most local authorities operate within departmental guidelines, but in general have moderate policy autonomy. Local authorities are more likely than national bodies to produce reports on planned investment and are adept at producing multi-annual business plans. They are also the most likely of all sub-national bodies to report on work completed and all produce annual reports. Local authority goals are set either by the authority or in conjunction with the Department of the Environment, Heritage and Local Government. A

majority report that the number of performance indicators has increased over the last five years. Most local authorities evaluate their non-financial results either themselves or in conjunction with others. Almost half of local authority respondents reported that some form of rewards and sanctions existed for their organisation.

For local authorities, the city and county manager would appear to be accountable to the elected council for everything in the organisation, with whom he or she works closely. A large number of respondents note that internal reporting and evaluation systems are being extensively developed to assess results on objectives, and that divisions in the organisation are managed on the basis of results. However, only half of local authority respondents report that resources are allocated on the basis of results. Survey responses also indicate that local authority management is more likely than elected members to use internal reporting and evaluation systems.

A variety of communication routes between local authorities and Department of the Environment, Heritage and Local Government are utilised. In particular, meetings between the department's management advisory committee and the City and County Managers' Association provide an important channel of communication. Meetings tend to focus on the achievement and reporting of results. Local authorities also regularly report on non-financial results to the department. Considerable work has been undertaken in recent years towards improving governance in local authorities through the establishment of corporate policy groups and strategic policy committees.

10.5 Recommendations for the 11 sub-sectors

While each non-directly elected sub-sector has, insofar as possible, been treated individually in the previous chapters, it is appropriate here to present global rather than individual recommendations. Attention to variations in role, composition, levels of autonomy and accountability practices between sub-sectors have been drawn throughout this study which should provide food for thought on future reforms. Again, it must be noted that several sub-sectors are already undergoing a process of change and transformation. It is intended that these recommendations will improve the corporate governance of local and regional bodies in Ireland as well as the future development of sub-national government in Ireland.

10.5.1 Creation of new local and regional bodies

The bodies considered in this study have multiple roles and duties, and an audit of these functions to identify those that may more appropriately be located within a single national body, including government departments, would prove useful. While a large number of local and regional bodies are concerned with co-ordination, it is recognised in the new National Development Plan 2007-13 (p.238) and National Action Plan for Social Inclusion 2007-16 (p.79) that the county and city development boards are 'the key coordinating mechanism for public service delivery at local level'. In this respect, it is envisaged that a key function of the development boards will be to avoid duplication of function at sub-national level.

A framework for clarifying what functions or services are more appropriately performed by local, regional or national levels of government would be instructive. The reasons for adopting sub-national duplicate structures instead of a centralised body with regional offices should be borne in mind, particularly in the context of decentralisation. To maximise effective networking, organisations need to adapt their internal structures and work practices according to the task in hand. In part, the 'cohesion process' currently in progress for the Partnerships and LEADER groups within certain local authority geographical areas provides evidence that this is already underway.

Local and regional organisations must also harness their resources in tandem with other sub-national (and national) bodies. In general, given the wide variety of organisations currently operating at sub-national level, and the vast array of functions being performed by them, it would not seem prudent to establish any further local or regional bodies without detailed consideration of existing structures and how potential reforms would affect them. The diminution of EU influence (and particularly funding) over many bodies may also act as a catalyst for future restructuring.

10.5.2 HR autonomy and accountability

An audit of staff numbers at sub-national level would be practical and should be updated at least annually, taking into account seasonal variations.

It would also be advantageous to develop guidelines for the devolution of internal HR management in organisations at sub-national level.

Although salaries are controlled centrally, some criteria for allowing local discretion over this issue would be useful, particularly in respect of

performance-related pay. Many local and regional bodies report having considerable discretion over hiring of staff and more organisations could be given greater discretion to decide on staff numbers within a defined budget.

In this respect it would be constructive to develop a system for sharing resources in staff recruitment within and across sub-sectors.

There should be a contract template for the various categories of staff in local and regional bodies, particularly those who recruit seasonal staff.

10.5.3 Financial autonomy and accountability

Given the variety of local and regional bodies in existence, consistency around financial reporting standards and formats should be ensured. Some guidelines for smaller bodies would prove valuable in achieving this.

Value for Money audits, where they do not exist, should be introduced on a pilot basis in conjunction with the office of the Comptroller and Auditor-General.

Given that a majority of local and regional bodies do not currently have the ability to move budget by year but are expected to report on future planned investment, the possibility of introducing multi-annual financial packages should be considered. Further extension of the requirement for bodies to produce multi-annual business plans would assist this development and the changing nature of EU funding as a source of revenue will also require changes in financial management arrangements.

Consideration should be given to allowing sub-national bodies, particularly those involved in commercial development, greater freedom to take out loans once certain criteria are met.

10.5.4 Policy autonomy and accountability

Ensuring the coherence and consistency of national policies at sub-national level requires high levels of trust between central, regional and local government. Allowing greater local discretion over policy implementation can foster trust and improve outcomes and can be enhanced through regular reporting mechanisms. Consideration should therefore be given to allowing greater involvement of local and regional bodies in identifying policy instruments and the target groups for policy.

Guidelines for the development and best use of performance indicators in sub-national bodies should be developed.

This study has identified very little use of rewards and sanctions in the bodies surveyed. The introduction of rewards for performance and

financial efficiency in local and regional bodies should be considered in the context of future public service modernisation. Conversely, sanctions for poor performance should also feature in any changes in this regard.

10.5.5 Boards

In terms of the non-directly elected bodies considered here, there are significant variations in board size and composition which often bear little relation to the tasks required of them. The lack of independent experts on local and regional boards (when compared with national bodies) is prominent in this regard, while other categories of board member, such as local councillors and stakeholders, tend to dominate. In order to address this, some consideration should be given to formulating guidelines concerning the achievement of an appropriate board composition. Also, the appointment of representatives of local and regional government to the boards of national bodies offers opportunities for the views of sub-national government to be more formally reflected.

The demand on boards to become more strategic in carrying out their work, as evidenced by this study, indicates that particular skill-sets concerning strategic planning are required. One method of achieving this might be to create a database of persons with relevant skills who are qualified to serve on boards of various kinds. A board, or a defined portion of a board, could be appointed from this database which could be updated on an annual basis. This database could be ordered by geographical area in order to suit the particular requirements of many sub-national bodies.

Consideration should be given to ensuring that the Code of Practice for the Governance of State Bodies is cognisant of the needs of sub-national as well as national bodies.

Given that a large number of the bodies surveyed do not have internal audit committees, and the cost of employing external auditors, consideration should be given by parent organisations to providing centralised training and/or resources to help local and regional bodies in this regard.

10.5.6 Relationship between local and regional bodies and 'parent' organisations

This study has identified a range of reporting practices and accountability relationships existing between the organisations under examination and their 'parent' body or department. In many cases, intermediate structures are used. It is therefore recommended that the role and responsibilities of

‘parent’ departments in relation to the local and/or regional bodies under their aegis be clarified. In this respect, a Memorandum of Understanding (MOU or Service Level Agreement) should be considered where it does not already exist and where there are weak statutory guidelines. MOUs are increasingly common in Irish public administration, and are encouraged as good practice by the Organisation for Economic Cooperation and Development. They are useful for managing relationships and help establish basic principles and guidelines under which two or more entities agree to work.

Also, it is important to ensure that there are regular formal meetings between the bodies and ‘parent’ organisations and that such meetings have a clear format and purpose. Where it does not already occur, regular attendance of senior departmental representatives at the board meetings of local and regional bodies should be provided for.

10.6 Recommendations for local authorities

As indicated from the outset of this study, local authorities cannot be considered as ‘bodies’ or ‘agencies’ in the manner other sub-national organisations are. However, as per the other sub-sectors, the findings presented here indicate that some consideration be given to a number of corporate governance issues in local authorities:

The new social partnership agreement, *Towards*

2016, calls for further developments in respect of improving organisational performance and Performance Management and Development Systems (PMDS). These issues are closely related to human resource functions and therefore the possibility of local authorities developing greater strategic HR autonomy might usefully be explored. A more developed system of rewards and sanctions for performance might also be appropriate in this context.

Although many local authority functions are statutory, more emphasis should be given to ensuring that there is more focus on the allocation of resources on the basis of results and greater linkages between strategies and outputs.

In keeping with good corporate governance practices, methods of involving elected members in local authority internal reporting and evaluation systems would be desirable.

10.7 Network governance at sub-national level

A well-known schema for understanding social (and political) co-ordination is the distinction between hierarchies, markets and networks⁹⁰. The study of national non-commercial bodies records the principal features of each⁹¹. Table 10.2 describes these principal features.

While the three models of governance presented here are ideal types, they nevertheless provide

Table 10.2: The main features of hierarchical, market and governance mechanisms

	Hierarchy	Market	Network
Base of interaction	Authority and dominance	Exchange and competition	Cooperation and solidarity
Purpose	Consciously designed and controlled goals	Spontaneously created results	Consciously designed purposes or spontaneously created results
Guidance, control and evaluation	Top down norms and standards, routines, supervision, inspection, intervention	Supply and demand, pricing mechanisms, self-interest, profit and loss as evaluation, courts, the ‘invisible hand of the market’	Shared values, analysis of common problems, consensus, loyalty, reciprocity, trust, informal evaluation, reputation
Role of government	Top-down rule-making and steering; dependent actors are controlled by rules	Creator and guardian of markets; purchaser of goods; actors are independent	Network enabler, network manager and network participant
Theoretical basis	Weberian bureaucracy	Neo-institutional economics	Network theory

⁹⁰ Thompson, G.; J. Frances, R. Levavic, and Mitchell J. (eds.) *Markets, Hierarchies and Networks, The Coordination of Social Life*, (London: Sage, 1991)

⁹¹ McGauran, A-M.; Verhoest, K. and Humphreys, P. *The Corporate Governance of Agencies in Ireland: Non-Commercial National Agencies* (Institute of Public Administration: Committee for Public Management Research Report No. 6, 2005), p.163

useful frames of reference for the trajectory of future reforms and developments. The evidence from this study bears out the fact that the key elements of the hierarchical approach feature across the range of sub-national bodies operating in Ireland. The organisations in each sub-sector operate to varying degrees in the ‘shadow of hierarchy’ and many elements of their corporate governance arrangements (particularly HR and finance) are performed in the context of little discretion from their ‘parent’ departments or bodies, or other parts of central government. Market-based reforms are perhaps least evident.

However, there is also strong evidence of the principal features of network-based approaches emerging at sub-national level. Networks are predicated on processes of trust and to effectively network organisations must:

- consider internal structures and practices as tasks no longer performed along simple functional lines
- not seek to control all resources, instead working with other organisations and pooling resources appropriately

- focus on core competencies and distinctive strengths where value can be added in order to provide levers of change.⁹²

The increased use of mechanisms of consultation, participation, co-operation and stakeholder involvement indicate that the trajectory of development is towards this model as opposed to any other. It is also consistent with national public sector reform objectives⁹³ and the recommendations in this report are presented in this context.

As emphasised throughout this study, the wide variation in current corporate governance arrangements across and within sub-sectors make ‘one-size-fits-all’ arrangements impracticable, even if it were to be desirable. However, greater attention must be given to the role of non-commercial local and regional bodies in the changing landscape of Irish public administration. It is hoped that this study will achieve its goal of advancing consistent thinking as to how the achievement of appropriate levels of autonomy and accountability for sub-national bodies in Ireland can best be achieved.

⁹² Painter, C.; Isaac-Henry, K. and Rouse, J. ‘Local Authorities and Non-Elected Agencies: Strategic Responses and Organisational Networks’ in *Public Administration*, 75 (2), pp.228

⁹³ See the Department of the Taoiseach *Towards 2016: Ten-Year Framework Social Partnership Agreement 2006-2015* (Dublin: Department of the Taoiseach, 2006), pp.114-37

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Appendix

1

The database of 283 local and regional non-commercial bodies as of Autumn 2003

Note: The survey population for this study is derived from the database of public sector bodies compiled in Autumn 2003 (see Appendix 2). Since then, a number of changes within this population have taken place, particularly in respect of those bodies operating under the aegis of the Department of Health and Children, but also including the transfer between departments of national and sub-national bodies, and the renaming of certain organisations. For example, in the list presented here, the parent body ADM is now called *Pobal*. At time of writing a comprehensive updating of the database is underway with 1st May 2007 as the base date.

Agency	Parent Body
Ballyfermot Partnership	ADM
Ballymun Partnership Ltd	ADM
Blanchardstown Area Partnership	ADM
Bray Partnership	ADM
Canal Communities Partnership	ADM
Cavan Partnership	ADM
Clondalkin Partnership Company	ADM
Comhair Cathair Chorcai	ADM
Donegal Local Development Company	ADM
Drogheda Partnership Company	ADM
Dublin Inner City Partnership	ADM
Dundalk Employment Partnership Limited	ADM
Finglas/Cabra Partnership	ADM
Galway City Partnership	ADM
Galway Rural Development Company	ADM
Inishowen Partnership Board	ADM
KWCD Partnership	ADM
Leitrim Partnership	ADM
Longford Community Resources Ltd	ADM
Meitheal Mhaigheo	ADM
Monaghan Partnership Board	ADM
North West Kildare/North Offaly Partnership	ADM
Northside Partnership	ADM
Pairtíocht Chonamara	ADM
Pairtíocht Gaeltacht Thír Chonail	ADM
PAUL Partnership, Limerick	ADM
Roscommon County Partnership	ADM
Sligo LEADER Partnership Company	ADM
South Kerry Development Partnership	ADM
Southside Partnership	ADM
Tallaght Partnership	ADM
Trá Lí Partnership	ADM
Waterford Area Partnership	ADM
Westmeath Community Development Ltd	ADM

Agency	Parent Body
Wexford Area Partnership	ADM
Wexford County Partnership	ADM
Eastern Regional Fisheries Board	Communications, Marine and Natural Resources
Northern Regional Fisheries Board	Communications, Marine and Natural Resources
North-Western Regional Fisheries Board	Communications, Marine and Natural Resources
Shannon Regional Fisheries Board	Communications, Marine and Natural Resources
Southern Regional Fisheries Board	Communications, Marine and Natural Resources
South-Western Regional Fisheries Board	Communications, Marine and Natural Resources
Western Regional Fisheries Board	Communications, Marine and Natural Resources
Western Development Commission	Community, Rural and Gaeltacht Affairs
Carlow VEC	Education and Science
Cavan VEC	Education and Science
Clare VEC	Education and Science
Condae Thiobraid Arainn Thuaidh VEC	Education and Science
Cork City VEC	Education and Science
Cork County VEC	Education and Science
Donegal VEC	Education and Science
Dublin City VEC	Education and Science
Dublin County VEC	Education and Science
Dun Laoghaire VEC	Education and Science
Galway City VEC	Education and Science
Galway County VEC	Education and Science
Kerry Education Service VEC	Education and Science
Kildare VEC	Education and Science
Kilkenny VEC	Education and Science
Laois VEC	Education and Science
Leitrim VEC	Education and Science
Limerick City VEC	Education and Science
Limerick County VEC	Education and Science
Longford VEC	Education and Science
Louth VEC	Education and Science
Mayo VEC	Education and Science
Meath VEC	Education and Science
Monaghan VEC	Education and Science
Offaly VEC	Education and Science
Roscommon VEC	Education and Science
Sligo County VEC	Education and Science
South Tipperary VEC	Education and Science
Waterford City VEC	Education and Science
Waterford County VEC	Education and Science
Westmeath VEC	Education and Science
Wexford County VEC	Education and Science
Wicklow County VEC	Education and Science
Carlow Enterprise Board	Enterprise, Trade and Employment
Cavan Enterprise Board	Enterprise, Trade and Employment
Clare Enterprise Board	Enterprise, Trade and Employment
Cork City Enterprise Board	Enterprise, Trade and Employment
Cork North Enterprise Board	Enterprise, Trade and Employment
Donegal Enterprise Board	Enterprise, Trade and Employment
Dublin City Enterprise Board	Enterprise, Trade and Employment
Dun Laoghaire-Rathdown Enterprise Board	Enterprise, Trade and Employment
Fingal Enterprise Board	Enterprise, Trade and Employment

Agency**Parent Body**

Galway County and City Enterprise Board	Enterprise, Trade and Employment
Kerry Enterprise Board	Enterprise, Trade and Employment
Kildare Enterprise Board	Enterprise, Trade and Employment
Kilkenny Enterprise Board	Enterprise, Trade and Employment
Laois Enterprise Board	Enterprise, Trade and Employment
Leitrim Enterprise Board	Enterprise, Trade and Employment
Limerick City Enterprise Board	Enterprise, Trade and Employment
Limerick County Enterprise Board	Enterprise, Trade and Employment
Longford Enterprise Board	Enterprise, Trade and Employment
Louth Enterprise Board	Enterprise, Trade and Employment
Mayo Enterprise Board	Enterprise, Trade and Employment
Meath Enterprise Board	Enterprise, Trade and Employment
Monaghan Enterprise Board	Enterprise, Trade and Employment
North Tipperary Enterprise Board	Enterprise, Trade and Employment
Offaly Enterprise Board	Enterprise, Trade and Employment
Roscommon Enterprise Board	Enterprise, Trade and Employment
Sligo Enterprise Board	Enterprise, Trade and Employment
South Cork Enterprise Board	Enterprise, Trade and Employment
South Dublin Enterprise Board	Enterprise, Trade and Employment
South Tipperary Enterprise Board	Enterprise, Trade and Employment
Waterford City Enterprise Board	Enterprise, Trade and Employment
Waterford County Enterprise Board	Enterprise, Trade and Employment
West Cork Enterprise Board	Enterprise, Trade and Employment
Westmeath Enterprise Board	Enterprise, Trade and Employment
Wexford Enterprise Board	Enterprise, Trade and Employment
Wicklow Enterprise Board	Enterprise, Trade and Employment
Border Regional Authority	Environment, Heritage and Local Government
Border, Midland and Western Regional Assembly	Environment, Heritage and Local Government
Carlow County Development Board	Environment, Heritage and Local Government
Cavan County Development Board	Environment, Heritage and Local Government
Clare County Development Board	Environment, Heritage and Local Government
Cork City Development Board	Environment, Heritage and Local Government
Cork County Development Board	Environment, Heritage and Local Government
Donegal County Development Board	Environment, Heritage and Local Government
Dublin City Development Board	Environment, Heritage and Local Government
Dublin Regional Authority	Environment, Heritage and Local Government
Dun Laoghaire-Rathdown Development Board	Environment, Heritage and Local Government
Fingal County Development Board	Environment, Heritage and Local Government
Galway City Development Board	Environment, Heritage and Local Government
Galway County Development Board	Environment, Heritage and Local Government
Kerry County Development Board	Environment, Heritage and Local Government
Kildare County Development Board	Environment, Heritage and Local Government
Kilkenny County Development Board	Environment, Heritage and Local Government
Laois County Development Board	Environment, Heritage and Local Government
Leitrim County Development Board	Environment, Heritage and Local Government
Limerick City Development Board	Environment, Heritage and Local Government
Limerick County Development Board	Environment, Heritage and Local Government
Longford County Development Board	Environment, Heritage and Local Government
Louth County Development Board	Environment, Heritage and Local Government
Mayo County Development Board	Environment, Heritage and Local Government
Meath County Development Board	Environment, Heritage and Local Government
Mid-East Regional Authority	Environment, Heritage and Local Government

Agency**Parent Body**

Midland Regional Authority	Environment, Heritage and Local Government
Mid-West Regional Authority	Environment, Heritage and Local Government
Monaghan County Development Board	Environment, Heritage and Local Government
North Tipperary County Development Board	Environment, Heritage and Local Government
Offaly County Development Board	Environment, Heritage and Local Government
Roscommon County Development Board	Environment, Heritage and Local Government
Sligo County Development Board	Environment, Heritage and Local Government
South Dublin County Development Board	Environment, Heritage and Local Government
South Tipperary County Development Board	Environment, Heritage and Local Government
South-East Regional Authority	Environment, Heritage and Local Government
Southern and Eastern Regional Assembly	Environment, Heritage and Local Government
South-West Regional Authority	Environment, Heritage and Local Government
Waterford City Development Board	Environment, Heritage and Local Government
Waterford County Development Board	Environment, Heritage and Local Government
West Regional Authority	Environment, Heritage and Local Government
Westmeath County Development Board	Environment, Heritage and Local Government
Wexford County Development Board	Environment, Heritage and Local Government
Wicklow County Development Board	Environment, Heritage and Local Government
Carlow County Council	Environment, Heritage and Local Government
Cavan County Council	Environment, Heritage and Local Government
Clare County Council	Environment, Heritage and Local Government
Cork City Council	Environment, Heritage and Local Government
Cork County Council	Environment, Heritage and Local Government
Donegal County Council	Environment, Heritage and Local Government
Dublin City Council	Environment, Heritage and Local Government
Dun Laoghaire-Rathdown County Council	Environment, Heritage and Local Government
Fingal County Council	Environment, Heritage and Local Government
Galway City Council	Environment, Heritage and Local Government
Galway County Council	Environment, Heritage and Local Government
Kerry County Council	Environment, Heritage and Local Government
Kildare County Council	Environment, Heritage and Local Government
Kilkenny County Council	Environment, Heritage and Local Government
Laois County Council	Environment, Heritage and Local Government
Leitrim County Council	Environment, Heritage and Local Government
Limerick City Council	Environment, Heritage and Local Government
Limerick County Council	Environment, Heritage and Local Government
Longford County Council	Environment, Heritage and Local Government
Louth County Council	Environment, Heritage and Local Government
Mayo County Council	Environment, Heritage and Local Government
Meath County Council	Environment, Heritage and Local Government
Monaghan County Council	Environment, Heritage and Local Government
North Tipperary County Council	Environment, Heritage and Local Government
Offaly County Council	Environment, Heritage and Local Government
Roscommon County Council	Environment, Heritage and Local Government
Sligo County Council	Environment, Heritage and Local Government
South Dublin County Council	Environment, Heritage and Local Government
South Tipperary County Council	Environment, Heritage and Local Government
Waterford City Council	Environment, Heritage and Local Government
Waterford County Council	Environment, Heritage and Local Government
Westmeath County Council	Environment, Heritage and Local Government
Wexford County Council	Environment, Heritage and Local Government
Wicklow County Council	Environment, Heritage and Local Government

Agency**Parent Body**

Drogheda Borough Council	Environment, Heritage and Local Government
Clonmel Borough Council	Environment, Heritage and Local Government
Wexford Borough Council	Environment, Heritage and Local Government
Kilkenny Borough Council	Environment, Heritage and Local Government
Sligo Borough Council	Environment, Heritage and Local Government
Dublin Tourism	Fáilte Ireland
Midlands-East Regional Tourism Authority Ltd	Fáilte Ireland
North West Regional Tourism Authority Ltd	Fáilte Ireland
South East Regional Tourism Authority Ltd	Fáilte Ireland
South West Regional Tourism Authority Ltd	Fáilte Ireland
Western Regional Tourism Authority Ltd	Fáilte Ireland
Arigna Catchment Area Community Company	LEADER II Groups
Ballyhoura Development Ltd	LEADER II Groups
Barrow-Nore-Suir Rural Development Ltd	LEADER II Groups
Blackwater Resource Development	LEADER II Groups
Carlow Leader Rural Development Co ltd	LEADER II Groups
Cavan-Monaghan Rural Development Co-op Society Ltd	LEADER II Groups
Comhar Iorrais (Leader) Teo	LEADER II Groups
Comhdháil Oileáin na hÉireann	LEADER II Groups
County Sligo LEADER Partnership Company Ltd	LEADER II Groups
Donegal Local Development Company Ltd	LEADER II Groups
East Cork Area Development Ltd	LEADER II Groups
Galway Rural Development Company Ltd	LEADER II Groups
Inishowen Rural Development Ltd	LEADER II Groups
IRD Dulhallow Ltd	LEADER II Groups
Irish Country Holidays	LEADER II Groups
Irish Farmhouse Holidays	LEADER II Groups
Kildare European Leader II Teo	LEADER II Groups
Laois Rural Development Company Ltd	LEADER II Groups
Longford Community Resources	LEADER II Groups
Louth LEADER	LEADER II Groups
Meath Community Partnership Company Ltd	LEADER II Groups
Meitheal Forbartha na Gaeltachta Teo	LEADER II Groups
Mid-South Roscommon Rural Development Company Ltd	LEADER II Groups
Muintir na Tíre	LEADER II Groups
Offaly LEADER Company Ltd	LEADER II Groups
Rural Dublin LEADER Company Ltd	LEADER II Groups
Rural Resource Development Ltd	LEADER II Groups
South Kerry Development Partnership Ltd	LEADER II Groups
South West Mayo Development Company Ltd	LEADER II Groups
Tipperary LEADER Group Ltd	LEADER II Groups
Tuatha Chiarraí Teoranta	LEADER II Groups
Waterford Leader Partnership Ltd	LEADER II Groups
West Cork LEADER Co-operative Society Ltd	LEADER II Groups
West Limerick Resources Ltd	LEADER II Groups
Western Rural Development Company Ltd	LEADER II Groups
Westmeath Community Development Ltd	LEADER II Groups
Wexford Organisation for Rural Development	LEADER II Groups
Wicklow Rural Partnership Ltd	LEADER II Groups
Carlow Childcare Committee	Office of the Minister for Children
Cavan Childcare Committee	Office of the Minister for Children
Clare Childcare Committee	Office of the Minister for Children

Agency**Parent Body**

Cork City Childcare Committee	Office of the Minister for Children
Cork County Childcare Committee	Office of the Minister for Children
Donegal Childcare Committee	Office of the Minister for Children
Dublin City Childcare Committee	Office of the Minister for Children
Dublin South Childcare Committee	National Childcare Management Committee
Dun Laoghaire-Rathdown Childcare Committee	Office of the Minister for Children
Fingal Childcare Committee	Office of the Minister for Children
Galway City and County Childcare Committee	Office of the Minister for Children
Kerry Childcare Committee	Office of the Minister for Children
Kildare Childcare Committee	Office of the Minister for Children
Kilkenny Childcare Committee	Office of the Minister for Children
Laois Childcare Committee	Office of the Minister for Children
Leitrim Childcare Committee	Office of the Minister for Children
Limerick City Childcare Committee	Office of the Minister for Children
Limerick County Childcare Committee	Office of the Minister for Children
Longford Childcare Committee	Office of the Minister for Children
Louth Childcare Committee	Office of the Minister for Children
Mayo Childcare Committee	Office of the Minister for Children
Meath Childcare Committee	Office of the Minister for Children
Monaghan Childcare Committee	Office of the Minister for Children
Offaly Childcare Committee	Office of the Minister for Children
Roscommon Childcare Committee	Office of the Minister for Children
Sligo Childcare Committee	Office of the Minister for Children
Tipperary North Childcare Committee	Office of the Minister for Children
Tipperary South Childcare Committee	Office of the Minister for Children
Waterford City Childcare Committee	Office of the Minister for Children
Waterford County Childcare Committee	Office of the Minister for Children
Westmeath Childcare Committee	Office of the Minister for Children
Wexford Childcare Committee	Office of the Minister for Children
Wicklow Childcare Committee	Office of the Minister for Children
Arklow Harbour Commissioners	Transport
Baltimore and Skibbereen Harbour Commissioners	Transport
Bantry Bay Harbour Commissioners	Transport
Dingle Harbour Commissioners	Transport
Kinsale Harbour Commissioners	Transport
River Moy Commissioners	Transport
Sligo Harbour Commissioners	Transport
Tralee and Fenit Pier and Harbour Commissioners	Transport
Westport Harbour Commissioners	Transport
Wexford Harbour Commissioners	Transport
Dublin Transportation Office	Transport

Appendix

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The database of 601 agencies operating in Ireland in Autumn 2003

Agency Name	Parent Body
Ballyfermot Partnership	ADM
Ballymun Partnership Ltd	ADM
Blanchardstown Area Partnership	ADM
Bray Partnership	ADM
Canal Communities Partnership	ADM
Cavan Partnership	ADM
Clondalkin Partnership Company	ADM
Comhair Cathair Chorcai	ADM
Donegal Local Development Company	ADM
Drogheda Partnership Company	ADM
Dublin Inner City Partnership	ADM
Dundalk Employment Partnership Limited	ADM
Finglas/Cabra Partnership	ADM
Galway City Partnership	ADM
Galway Rural Development Company	ADM
Inishowen Partnership Board	ADM
KWCD Partnership	ADM
Leitrim Partnership	ADM
Longford Community Resources Ltd	ADM
Meitheal Mhaigheo	ADM
Monaghan Partnership Board	ADM
North West Kildare/North Offaly Partnership	ADM
Northside Partnership	ADM
Pairtíocht Chonamara	ADM
Pairtíocht Gaeltacht Thír Chonall	ADM
PAUL Partnership, Limerick	ADM
Roscommon County Partnership	ADM
Sligo LEADER Partnership Company	ADM
South Kerry Development Partnership	ADM
Southside Partnership	ADM
Tallaght Partnership	ADM
Trá Lí Partnership	ADM
Waterford Area Partnership	ADM
Westmeath Community Development Ltd	ADM
Wexford Area Partnership	ADM
Wexford County Partnership	ADM
COFORD (National Council for Forest Research and Development)	Agriculture and Food
Coillte Teoranta – Irish Forestry Board	Agriculture and Food
Agriculture Appeals Office	Agriculture and Food
Bord Bia – Irish Food Board	Agriculture and Food

Agency Name	Parent Body
Bord Glas – Horticultural Development Board	Agriculture and Food
Irish National Stud Company Limited	Agriculture and Food
National Milk Agency	Agriculture and Food
Teagasc – Agriculture and Food Development Authority	Agriculture and Food
Veterinary Council	Agriculture and Food
SDS	An Post
National Theatre Society Ltd – Abbey Theatre	Arts Council
Arts Council/An Chomhairle Ealaíon	Arts, Sport and Tourism
Bord na gCon – Irish Greyhound Board	Arts, Sport and Tourism
Bord Scannan na hÉireann – Irish Film Board	Arts, Sport and Tourism
Campus and Stadium Ireland Development Ltd	Arts, Sport and Tourism
Chester Beatty Library	Arts, Sport and Tourism
Fáilte Ireland – National Tourism Authority	Arts, Sport and Tourism
Horse Racing Ireland	Arts, Sport and Tourism
Irish Manuscripts Commission	Arts, Sport and Tourism
Irish Museum of Modern Art	Arts, Sport and Tourism
Irish Sports Council	Arts, Sport and Tourism
National Archives	Arts, Sport and Tourism
National Concert Hall	Arts, Sport and Tourism
National Gallery of Ireland	Arts, Sport and Tourism
National Library of Ireland	Arts, Sport and Tourism
National Museum of Ireland	Arts, Sport and Tourism
SFADCo (Tourism)	Arts, Sport and Tourism
Irish Financial Services Regulatory Authority	Central Bank and FSA of Ireland
National Statistics Board	Central Statistics Office
Bus Átha Cliath – Dublin Bus	CIE
Bus Éireann – Irish Bus	CIE
Iarnrod Éireann – Irish Rail	CIE
An Post	Communications, Marine and Natural Resources
Aquaculture Licence Appeals Board	Communications, Marine and Natural Resources
Arklow Harbour Commissioners	Communications, Marine and Natural Resources
Baltimore and Skibbereen Harbour Commissioners	Communications, Marine and Natural Resources
Bantry Bay Harbour Commissioners	Communications, Marine and Natural Resources
Bord Gáis Éireann	Communications, Marine and Natural Resources
Bord Iascaigh Mhara – Irish Sea Fisheries Board	Communications, Marine and Natural Resources
Bord Na Móna	Communications, Marine and Natural Resources
Broadcasting Commission of Ireland	Communications, Marine and Natural Resources
Broadcasting Complaints Commission	Communications, Marine and Natural Resources
Central Fisheries Board	Communications, Marine and Natural Resources
Commission for Communications Regulations	Communications, Marine and Natural Resources
Commission for Energy Regulation	Communications, Marine and Natural Resources
Commissioners of Irish Lights	Communications, Marine and Natural Resources
Digital Hub Development Agency	Communications, Marine and Natural Resources
Dingle Harbour Commissioners	Communications, Marine and Natural Resources
Drogheda Port Company	Communications, Marine and Natural Resources
Dublin Port Company	Communications, Marine and Natural Resources
Dun Laoghaire Harbour Company	Communications, Marine and Natural Resources
Dundalk Port Company	Communications, Marine and Natural Resources
Eastern Regional Fisheries Board	Communications, Marine and Natural Resources
EirGrid plc	Communications, Marine and Natural Resources
Electricity Supply Board (ESB)	Communications, Marine and Natural Resources

Agency Name**Parent Body**

Galway Harbour Company	Communications, Marine and Natural Resources
Irish Maritime Development Office	Communications, Marine and Natural Resources
Irish National Petroleum Corporation	Communications, Marine and Natural Resources
Kilrush Harbour Authority	Communications, Marine and Natural Resources
Kinsale Harbour Commissioners	Communications, Marine and Natural Resources
Marine Casualty Investigation Board	Communications, Marine and Natural Resources
Marine Institute (Foras na Mara)	Communications, Marine and Natural Resources
MediaLabEurope	Communications, Marine and Natural Resources
Mining Board	Communications, Marine and Natural Resources
National Oil Reserves Agency	Communications, Marine and Natural Resources
New Ross Port Company	Communications, Marine and Natural Resources
Northern Regional Fisheries Board	Communications, Marine and Natural Resources
North-Western Regional Fisheries Board	Communications, Marine and Natural Resources
Port of Cork Company	Communications, Marine and Natural Resources
Port of Waterford Company	Communications, Marine and Natural Resources
Radio Telefís Éireann (RTÉ)	Communications, Marine and Natural Resources
River Moy Commissioners	Communications, Marine and Natural Resources
Shannon Foynes Port Company	Communications, Marine and Natural Resources
Shannon Regional Fisheries Board	Communications, Marine and Natural Resources
Sligo Harbour Commissioners	Communications, Marine and Natural Resources
Southern Regional Fisheries Board	Communications, Marine and Natural Resources
South-Western Regional Fisheries Board	Communications, Marine and Natural Resources
Sustainable Energy Ireland	Communications, Marine and Natural Resources
Tralee and Fenit Pier and Harbour Commissioners	Communications, Marine and Natural Resources
Western Regional Fisheries Board	Communications, Marine and Natural Resources
Westport Harbour Commissioners	Communications, Marine and Natural Resources
Wexford Harbour Commissioners	Communications, Marine and Natural Resources
Wicklow Port Company	Communications, Marine and Natural Resources
Youghal Harbour Authority	Communications, Marine and Natural Resources
Area Development Management (ADM) Ltd	Community, Rural and Gaeltacht Affairs
Bord na Leabhair Gaelige	Community, Rural and Gaeltacht Affairs
Commissioners of Charitable Donations and Bequests	Community, Rural and Gaeltacht Affairs
Dormant Accounts Fund Disbursements Board	Community, Rural and Gaeltacht Affairs
National Advisory Committee on Drugs	Community, Rural and Gaeltacht Affairs
Placenames Commission	Community, Rural and Gaeltacht Affairs
Údarás na Gaeltachta	Community, Rural and Gaeltacht Affairs
Western Development Commission	Community, Rural and Gaeltacht Affairs
Army Pensions Board	Defence
Board of Civil Defence	Defence
Coiste an Asgard	Defence
Advisory Council for English Language Schools	Education and Science
Carlow VEC	Education and Science
Cavan VEC	Education and Science
Chomhairle um Oideachais Gaeltachta agus Gaeiscolaíochta	Education and Science
Clare VEC	Education and Science
Commission on Child Abuse	Education and Science
Commission on School Accommodation	Education and Science
Condae Thiobraid Arainn Thuaidh VEC	Education and Science
Cork City VEC	Education and Science
Cork County VEC	Education and Science
Donegal VEC	Education and Science

Agency Name	Parent Body
Dublin City VEC	Education and Science
Dublin County VEC	Education and Science
Dublin Institute for Advanced Studies	Education and Science
Dun Laoghaire VEC	Education and Science
Further Education and Training Awards Council (FETAC)	Education and Science
Galway City VEC	Education and Science
Galway County VEC	Education and Science
Higher Education and Training Awards Council (HETAC)	Education and Science
Higher Education Authority	Education and Science
Inspectorate (Education)	Education and Science
Institúid Teangeolaíochta Éireann (ITÉ)	Education and Science
Integrate Ireland Language and Training Ltd. (IILT)	Education and Science
International Education Board Ireland	Education and Science
Irish Council for Science, Engineering and Technology (incl. Embark)	Education and Science
Irish Research Council for Science, Engineering and Technology (inc. Embark Initiative)	Education and Science
Irish Research Council for the Humanities and Social Science	Education and Science
Kerry Education Service VEC	Education and Science
Kildare VEC	Education and Science
Kilkenny VEC	Education and Science
Laois VEC	Education and Science
Léargas – The Exchange Bureau	Education and Science
Leitrim VEC	Education and Science
Limerick City VEC	Education and Science
Limerick County VEC	Education and Science
Longford VEC	Education and Science
Louth VEC	Education and Science
Mayo VEC	Education and Science
Meath VEC	Education and Science
Monaghan VEC	Education and Science
National Adult Learning Council	Education and Science
National Centre for Guidance in Education	Education and Science
National Centre for Technology in Education	Education and Science
National Council for Curriculum and Assessment	Education and Science
National Education Welfare Board	Education and Science
National Educational Psychological Service	Education and Science
National Qualifications Authority of Ireland	Education and Science
Offaly VEC	Education and Science
President’s Award – Gaisce	Education and Science
Registration Council (for Secondary Teachers)	Education and Science
Residential Institution Redress Board	Education and Science
Roscommon VEC	Education and Science
Royal Irish Academy	Education and Science
Royal Irish Academy of Music	Education and Science
Sligo County VEC	Education and Science
South Tipperary VEC	Education and Science
State Examinations Commission	Education and Science
Waterford City VEC	Education and Science
Waterford County VEC	Education and Science
Westmeath VEC	Education and Science

Agency Name**Parent Body**

Wexford County VEC	Education and Science
Wicklow County VEC	Education and Science
BioResearch Ireland	Enterprise Ireland
Crafts Council of Ireland	Enterprise Ireland
Optronics Ireland	Enterprise Ireland
PEI Technologies	Enterprise Ireland
Carlow Enterprise Board	Enterprise, Trade and Employment
Cavan Enterprise Board	Enterprise, Trade and Employment
Clare Enterprise Board	Enterprise, Trade and Employment
Companies Registration Office	Enterprise, Trade and Employment
Competition Authority	Enterprise, Trade and Employment
Cork City Enterprise Board	Enterprise, Trade and Employment
Cork North Enterprise Board	Enterprise, Trade and Employment
Donegal Enterprise Board	Enterprise, Trade and Employment
Dublin City Enterprise Board	Enterprise, Trade and Employment
Dun Laoghaire-Rathdown Enterprise Board	Enterprise, Trade and Employment
Employment Appeals Tribunal	Enterprise, Trade and Employment
Enterprise Ireland	Enterprise, Trade and Employment
FÁS (Foras Áiseanna Saothair) incl. FÁS International Consulting Ltd.	Enterprise, Trade and Employment
Fingal Enterprise Board	Enterprise, Trade and Employment
Forfás	Enterprise, Trade and Employment
Galway County and City Enterprise Board	Enterprise, Trade and Employment
Health and Safety Authority	Enterprise, Trade and Employment
IDA Ireland	Enterprise, Trade and Employment
Kerry Enterprise Board	Enterprise, Trade and Employment
Kildare Enterprise Board	Enterprise, Trade and Employment
Kilkenny Enterprise Board	Enterprise, Trade and Employment
Labour Court	Enterprise, Trade and Employment
Labour Relations Commission	Enterprise, Trade and Employment
Laois Enterprise Board	Enterprise, Trade and Employment
Leitrim Enterprise Board	Enterprise, Trade and Employment
Limerick City Enterprise Board	Enterprise, Trade and Employment
Limerick County Enterprise Board	Enterprise, Trade and Employment
Longford Enterprise Board	Enterprise, Trade and Employment
Louth Enterprise Board	Enterprise, Trade and Employment
Mayo Enterprise Board	Enterprise, Trade and Employment
Meath Enterprise Board	Enterprise, Trade and Employment
Monaghan Enterprise Board	Enterprise, Trade and Employment
National Standards Authority of Ireland	Enterprise, Trade and Employment
Nitrigin Éireann Teo.	Enterprise, Trade and Employment
North Tipperary Enterprise Board	Enterprise, Trade and Employment
Offaly Enterprise Board	Enterprise, Trade and Employment
Office of the Director of Consumer Affairs	Enterprise, Trade and Employment
Office of the Director of Corporate Enforcement	Enterprise, Trade and Employment
Office of the Registrar of Friendly Societies	Enterprise, Trade and Employment
Patents Office	Enterprise, Trade and Employment
Roscommon Enterprise Board	Enterprise, Trade and Employment
SFADCo Ltd (Industrial)	Enterprise, Trade and Employment
Sligo Enterprise Board	Enterprise, Trade and Employment
South Cork Enterprise Board	Enterprise, Trade and Employment
South Dublin Enterprise Board	Enterprise, Trade and Employment

Agency Name	Parent Body
South Tipperary Enterprise Board	Enterprise, Trade and Employment
Waterford City Enterprise Board	Enterprise, Trade and Employment
Waterford County Enterprise Board	Enterprise, Trade and Employment
West Cork Enterprise Board	Enterprise, Trade and Employment
Westmeath Enterprise Board	Enterprise, Trade and Employment
Wexford Enterprise Board	Enterprise, Trade and Employment
Wicklow Enterprise Board	Enterprise, Trade and Employment
European Consumer Centre	Enterprise, Trade and Employment/EU
Bord Pleanála	Environment, Heritage and Local Government
Border Regional Authority	Environment, Heritage and Local Government
Border, Midland and Western Regional Assembly	Environment, Heritage and Local Government
Building Regulations Advisory Body (BRAB)	Environment, Heritage and Local Government
Carlow County Council	Environment, Heritage and Local Government
Carlow County Development Board	Environment, Heritage and Local Government
Cavan County Council	Environment, Heritage and Local Government
Cavan County Development Board	Environment, Heritage and Local Government
Chomhairle Leabharlanna – Library Council	Environment, Heritage and Local Government
Clare County Council	Environment, Heritage and Local Government
Clare County Development Board	Environment, Heritage and Local Government
Clonmel Borough Council	Environment, Heritage and Local Government
Comhar – National Sustainable Development Partnership	Environment, Heritage and Local Government
Cork City Council	Environment, Heritage and Local Government
Cork City Development Board	Environment, Heritage and Local Government
Cork County Council	Environment, Heritage and Local Government
Cork County Development Board	Environment, Heritage and Local Government
Donegal County Council	Environment, Heritage and Local Government
Donegal County Development Board	Environment, Heritage and Local Government
Drogheda Borough Council	Environment, Heritage and Local Government
Dublin City Council	Environment, Heritage and Local Government
Dublin City Development Board	Environment, Heritage and Local Government
Dublin Docklands Development Authority	Environment, Heritage and Local Government
Dublin Regional Authority	Environment, Heritage and Local Government
Dun Laoghaire-Rathdown County Council	Environment, Heritage and Local Government
Dun Laoghaire-Rathdown Development Board	Environment, Heritage and Local Government
Dundalk Borough Council	Environment, Heritage and Local Government
ENFO – The Environmental Information Service	Environment, Heritage and Local Government
Environmental Protection Agency	Environment, Heritage and Local Government
Fingal County Council	Environment, Heritage and Local Government
Fingal County Development Board	Environment, Heritage and Local Government
Fire Services Council	Environment, Heritage and Local Government
Galway City Council	Environment, Heritage and Local Government
Galway City Development Board	Environment, Heritage and Local Government
Galway County Council	Environment, Heritage and Local Government
Galway County Development Board	Environment, Heritage and Local Government
Heritage Council	Environment, Heritage and Local Government
Housing Finance Agency plc	Environment, Heritage and Local Government
Irish Water Safety Association	Environment, Heritage and Local Government
Kerry County Council	Environment, Heritage and Local Government
Kerry County Development Board	Environment, Heritage and Local Government
Kildare County Council	Environment, Heritage and Local Government
Kildare County Development Board	Environment, Heritage and Local Government

Kilkenny Borough Council	Environment, Heritage and Local Government
Kilkenny County Council	Environment, Heritage and Local Government
Kilkenny County Development Board	Environment, Heritage and Local Government
Laois County Council	Environment, Heritage and Local Government
Laois County Development Board	Environment, Heritage and Local Government
Leitrim County Council	Environment, Heritage and Local Government
Leitrim County Development Board	Environment, Heritage and Local Government
Limerick City Council	Environment, Heritage and Local Government
Limerick City Development Board	Environment, Heritage and Local Government
Limerick County Council	Environment, Heritage and Local Government
Limerick County Development Board	Environment, Heritage and Local Government
Local Government Computer Services Board	Environment, Heritage and Local Government
Local Government Management Services Board	Environment, Heritage and Local Government
Longford County Council	Environment, Heritage and Local Government
Longford County Development Board	Environment, Heritage and Local Government
Louth County Council	Environment, Heritage and Local Government
Louth County Development Board	Environment, Heritage and Local Government
Mayo County Council	Environment, Heritage and Local Government
Mayo County Development Board	Environment, Heritage and Local Government
Meath County Council	Environment, Heritage and Local Government
Meath County Development Board	Environment, Heritage and Local Government
Met Éireann	Environment, Heritage and Local Government
Mid-East Regional Authority	Environment, Heritage and Local Government
Midland Regional Authority	Environment, Heritage and Local Government
Mid-West Regional Authority	Environment, Heritage and Local Government
Monaghan County Council	Environment, Heritage and Local Government
Monaghan County Development Board	Environment, Heritage and Local Government
National Building Agency Ltd	Environment, Heritage and Local Government
National Traveller Accomodation Consultative Committee	Environment, Heritage and Local Government
North Tipperary County Council	Environment, Heritage and Local Government
North Tipperary County Development Board	Environment, Heritage and Local Government
Offaly County Council	Environment, Heritage and Local Government
Offaly County Development Board	Environment, Heritage and Local Government
Radiological Protection Institute of Ireland	Environment, Heritage and Local Government
Referendum Commission	Environment, Heritage and Local Government
Rent Tribunal	Environment, Heritage and Local Government
Roscommon County Council	Environment, Heritage and Local Government
Roscommon County Development Board	Environment, Heritage and Local Government
Sligo Borough Council	Environment, Heritage and Local Government
Sligo County Council	Environment, Heritage and Local Government
Sligo County Development Board	Environment, Heritage and Local Government
South Dublin County Council	Environment, Heritage and Local Government
South Dublin County Development Board	Environment, Heritage and Local Government
South Tipperary County Council	Environment, Heritage and Local Government
South Tipperary County Development Board	Environment, Heritage and Local Government
South-East Regional Authority	Environment, Heritage and Local Government
Southern and Eastern Regional Assembly	Environment, Heritage and Local Government
South-West Regional Authority	Environment, Heritage and Local Government
Temple Bar Properties Limited	Environment, Heritage and Local Government
Waterford City Council	Environment, Heritage and Local Government
Waterford City Development Board	Environment, Heritage and Local Government
Waterford County Council	Environment, Heritage and Local Government
Waterford County Development Board	Environment, Heritage and Local Government

Agency Name	Parent Body
West Regional Authority	Environment, Heritage and Local Government
Westmeath County Council	Environment, Heritage and Local Government
Westmeath County Development Board	Environment, Heritage and Local Government
Wexford Borough Council	Environment, Heritage and Local Government
Wexford County Council	Environment, Heritage and Local Government
Wexford County Development Board	Environment, Heritage and Local Government
Wicklow County Council	Environment, Heritage and Local Government
Wicklow County Development Board	Environment, Heritage and Local Government
Dublin Tourism	Fáilte Ireland
Midlands-East Regional Tourism Authority Ltd	Fáilte Ireland
North West Regional Tourism Authority Ltd	Fáilte Ireland
South East Regional Tourism Authority Ltd	Fáilte Ireland
South West Regional Tourism Authority Ltd	Fáilte Ireland
Western Regional Tourism Authority Ltd	Fáilte Ireland
Central Bank of Ireland and Financial Services Authority of Ireland	Finance
Committee on Top-Level Appointments in the Civil Service	Finance
Economic and Social Research Institute	Finance
ERDF and Cohesion Fund Financial Control Unit	Finance
Institute of Public Administration	Finance
National Development Finance Agency	Finance
National Lottery	Finance
National Treasury Management Agency	Finance
Office of Public Works	Finance
Office of the Chief Medical Officer for the Civil Service	Finance
Office of the Civil Service and Local Appointments Commissioners	Finance
Office of the Comptroller and Auditor General	Finance
Office of the Information Commissioner	Finance
Office of the Ombudsman	Finance
Office of the Revenue Commissioners	Finance
Ordnance Survey Ireland	Finance
Standards in Public Office Commission	Finance
State Laboratory	Finance
Valuation Office	Finance
Valuation Tribunal	Finance
Prize Bond Company Ltd	Finance/An Post
NDP/CSF Evaluation Unit	Finance/EU
NDP/CSF Information Office	Finance/EU
NDP/CSF IT Unit	Finance/EU
Boord o Ulster-Scotch	Foras Teanga
Foras na Gaeilge	Foras Teanga
Agency for Personal Service Overseas (APSO)	Foreign Affairs
DCI Advisory Board (The Advisory Board for Development Cooperation Ireland)	Foreign Affairs
The Fulbright Commission	Foreign Affairs
Irish Council for Science, Technology and Innovation	Forfás
Irish National Accreditation Board	Forfás
National Competitiveness Council	Forfás
Science Foundation Ireland (SFI)	Forfás

Agency Name	Parent Body
Loughs Agency	Foyle, Carlingford and Irish Lights Commission
Board for Employment of the Blind	Health and Children
Bord Altranais – Nursing Board	Health and Children
Bord na Radharcmhastóirí – Opticians Board	Health and Children
Bord Uchtála – The Adoption Board	Health and Children
Comhairle na nOspidéal	Health and Children
Consultative Council on Hepatitis C	Health and Children
Crisis Pregnancy Agency	Health and Children
Dental Council	Health and Children
Drug Treatment Centre Board	Health and Children
East Coast Area Health Board	Health and Children
Eastern Health Shared Services	Health and Children
Eastern Regional Health Authority	Health and Children
Food Safety Authority of Ireland	Health and Children
General Medical Services (Payments) Board	Health and Children
General Register Office	Health and Children
Health Boards Executive	Health and Children
Health Insurance Authority	Health and Children
Health Research Board	Health and Children
Health Service Employers Agency	Health and Children
Hospital Bodies Administrative Bureau	Health and Children
Hospitals Trust Board	Health and Children
Institute of Public Health in Ireland	Health and Children
Irish Blood Transfusion Service	Health and Children
Irish Health Services Accreditation Board	Health and Children
Irish Medicines Board	Health and Children
Medical Council	Health and Children
Mental Health Commission	Health and Children
Midland Health Board	Health and Children
Mid-Western Health Board	Health and Children
National Breast Screening Board/BreastCheck	Health and Children
National Cancer Registry Board	Health and Children
National Children’s Advisory Council	Health and Children
National Children’s Office	Health and Children
National Council for the Professional Development of Nursing and Midwifery	Health and Children
National Council on Ageing and Older People	Health and Children
National Disease Surveillance Centre	Health and Children
National Social Work Qualifications Board	Health and Children
National Strategy for Nursing and Midwifery in the Community	Health and Children
National Treatment Purchase Fund	Health and Children
North Eastern Health Board	Health and Children
North Western Health Board	Health and Children
Northern Area Health Board	Health and Children
Office for Health Management	Health and Children
Office of Tobacco Control	Health and Children
Pharmaceutical Society of Ireland	Health and Children
Poisons Council	Health and Children
Postgraduate Medical and Dental Board	Health and Children
Pre-Hospital Emergency Care Council	Health and Children
Social Services Inspectorate	Health and Children

Agency Name	Parent Body
South Eastern Health Board	Health and Children
South Western Area Health Board	Health and Children
Southern Health Board	Health and Children
Special Residential Services Board	Health and Children
VHI – Voluntary Health Insurance Board	Health and Children
Western Regional Health Board	Health and Children
Women’s Health Council	Health and Children
Office for Health Gain	Health Boards
Rosslare Europort	Iarnrod Eireann
Censorship of Films Appeal Board	Justice, Equality and Law Reform
Censorship of Publications Appeal Board	Justice, Equality and Law Reform
Censorship of Publications Board	Justice, Equality and Law Reform
Chief State Solicitor’s Office	Justice, Equality and Law Reform
Commission on Liquor Licensing	Justice, Equality and Law Reform
Courts Service	Justice, Equality and Law Reform
Criminal Injuries Compensation Board	Justice, Equality and Law Reform
Equality Authority	Justice, Equality and Law Reform
Film Censor’s Office	Justice, Equality and Law Reform
Forensic Science Laboratory	Justice, Equality and Law Reform
Garda Síochána Complaints Appeal Board	Justice, Equality and Law Reform
Garda Síochána Complaints Board	Justice, Equality and Law Reform
Human Rights Commission	Justice, Equality and Law Reform
Inspector of Prisons and Places of Detention	Justice, Equality and Law Reform
Irish Prison Service	Justice, Equality and Law Reform
Judicial Appointments Advisory Board	Justice, Equality and Law Reform
Judicial Studies Institute	Justice, Equality and Law Reform
Land Registry	Justice, Equality and Law Reform
Legal Aid Board (incl. Refugee Legal Service)	Justice, Equality and Law Reform
National Childcare Co-ordinating Committee	Justice, Equality and Law Reform
National Consultative Committee on Racism and Interculturalism	Justice, Equality and Law Reform
National Crime Council	Justice, Equality and Law Reform
National Disability Authority	Justice, Equality and Law Reform
NDP Gender Equality Unit	Justice, Equality and Law Reform
Office of the Data Protection Commissioner	Justice, Equality and Law Reform
Office of the Director of Equality Investigations	Justice, Equality and Law Reform
Office of the Director of Public Prosecutions	Justice, Equality and Law Reform
Office of the Refugee Applications Commissioner	Justice, Equality and Law Reform
Parole Board	Justice, Equality and Law Reform
Probation and Welfare Service	Justice, Equality and Law Reform
Reception and Integration Agency	Justice, Equality and Law Reform
Refugee Appeals Tribunal	Justice, Equality and Law Reform
Registration of Title Rules Committee	Justice, Equality and Law Reform
Registry of Deeds	Justice, Equality and Law Reform
State Pathology Service	Justice, Equality and Law Reform
Victim Support	Justice, Equality and Law Reform
Arigna Catchment Area Community Company	LEADER II Groups
Ballyhoura Development Ltd	LEADER II Groups
Barrow-Nore-Suir Rural Development Ltd	LEADER II Groups
Blackwater Region LEADER Company Ltd	LEADER II Groups
Carlow LEADER Rural Development Co ltd	LEADER II Groups

Agency Name**Parent Body**

Cavan-Monaghan Rural Development Co-op Society Ltd	LEADER II Groups
Comhar Iorrais (Leader) Teo	LEADER II Groups
Comhdháil Oileáin na hÉireann	LEADER II Groups
County Sligo LEADER Partnership Company Ltd	LEADER II Groups
Donegal Local Development Company Ltd	LEADER II Groups
East Cork Area Development Ltd	LEADER II Groups
Galway Rural Development Company Ltd	LEADER II Groups
Inishowen Rural Development Ltd	LEADER II Groups
IRD Duhallow Ltd	LEADER II Groups
Irish Country Holidays	LEADER II Groups
Irish Farmhouse Holidays Ltd	LEADER II Groups
Kildare European Leader II Teo	LEADER II Groups
Laois Rural Development Company Ltd	LEADER II Groups
Longford Community Resources	LEADER II Groups
Louth LEADER	LEADER II Groups
Meath Community Partnership Company Ltd	LEADER II Groups
Meitheal Forbartha na Gaeltachta Teo	LEADER II Groups
Mid-South Roscommon Rural Development Company Ltd	LEADER II Groups
Muintir na Tíre	LEADER II Groups
Offaly LEADER Company Ltd	LEADER II Groups
Rural Dublin LEADER Company Ltd	LEADER II Groups
Rural Resource Development Ltd	LEADER II Groups
South West Mayo Development Company Ltd	LEADER II Groups
Tipperary LEADER Group Ltd	LEADER II Groups
Tuatha Chiarraí Teoranta	LEADER II Groups
Waterford Leader Partnership Ltd	LEADER II Groups
West Cork LEADER Co-operative Society Ltd	LEADER II Groups
West Limerick Resources Ltd	LEADER II Groups
Western Rural Development Company Ltd	LEADER II Groups
Wexford Organisation for Rural Development	LEADER II Groups
Wicklow Rural Partnership Ltd	LEADER II Groups
Salmon Research Institute	Marine Institute
Carlow Childcare Committee	National Childcare Management Committee
Cavan Childcare Committee	National Childcare Management Committee
Clare Childcare Committee	National Childcare Management Committee
Cork City Childcare Committee	National Childcare Management Committee
Cork County Childcare Committee	National Childcare Management Committee
Donegal Childcare Committee	National Childcare Management Committee
Dublin City Childcare Committee	National Childcare Management Committee
Dublin South Childcare Committee	National Childcare Management Committee
Dun Laoghaire-Rathdown Childcare Committee	National Childcare Management Committee
Fingal Childcare Committee	National Childcare Management Committee
Galway City and County Childcare Committee	National Childcare Management Committee
Kerry Childcare Committee	National Childcare Management Committee
Kildare Childcare Committee	National Childcare Management Committee
Kilkenny Childcare Committee	National Childcare Management Committee
Laois Childcare Committee	National Childcare Management Committee
Leitrim Childcare Committee	National Childcare Management Committee
Limerick City Childcare Committee	National Childcare Management Committee

Agency Name	Parent Body
Limerick County Childcare Committee	National Childcare Management Committee
Longford Childcare Committee	National Childcare Management Committee
Louth Childcare Committee	National Childcare Management Committee
Mayo Childcare Committee	National Childcare Management Committee
Meath Childcare Committee	National Childcare Management Committee
Monaghan Childcare Committee	National Childcare Management Committee
Offaly Childcare Committee	National Childcare Management Committee
Roscommon Childcare Committee	National Childcare Management Committee
Sligo Childcare Committee	National Childcare Management Committee
Tipperary North Childcare Committee	National Childcare Management Committee
Tipperary South Childcare Committee	National Childcare Management Committee
Waterford City Childcare Committee	National Childcare Management Committee
Waterford County Childcare Committee	National Childcare Management Committee
Westmeath Childcare Committee	National Childcare Management Committee
Wexford Childcare Committee	National Childcare Management Committee
Wicklow Childcare Committee	National Childcare Management Committee
National Pensions Reserve Fund Commission	National Treasury Management Agency
Foras Teanga (North/South Language Body)	North/South Ministerial Council
Foyle, Carlingford and Irish Lights Commission (FCILC)	North/South Ministerial Council
InterTradeIreland	North/South Ministerial Council
Safefood: Food Safety Promotion Board	North/South Ministerial Council
Special European Union Programmes Body	North/South Ministerial Council
Tourism Ireland Ltd	North/South Ministerial Council
Waterways Ireland	North/South Ministerial Council
Law Reform Commission	Office of the Attorney General
Office of the Parliamentary Council to the Government	Office of the Attorney General
Government Supplies Agency	OPW
Office of the Appeal Commissioners	Revenue
Lyric FM	RTÉ
Raidio na Gaeltachta	RTÉ
TG4	RTÉ
National Microelectronics Applications Centre Ltd	SFADCO
National Technology Park Plassey Ltd.	SFADCO
Bord Pinsean – Pensions Board	Social and Family Affairs
Combat Poverty Agency	Social and Family Affairs
Comhairle	Social and Family Affairs
Family Support Agency	Social and Family Affairs
Pensions Ombudsman	Social and Family Affairs
Reach	Social and Family Affairs
Social Welfare Appeals Office	Social and Family Affairs
Social Welfare Tribunal	Social and Family Affairs
Central Statistics Office	Taoiseach
Information Society Commission	Taoiseach
National Centre for Partnership and Performance	Taoiseach
National Economic and Social Council	Taoiseach
National Economic and Social Development Office	Taoiseach
National Economic and Social Forum	Taoiseach
North/South Ministerial Council – Joint Secretariat	Taoiseach
Aer Lingus Group plc	Transport
Aer Rianta cpt	Transport

Agency Name	Parent Body
CIÉ – Coras Iompair Éireann	Transport
Commission for Aviation Regulation	Transport
Dublin Transportation Office	Transport
Irish Aviation Authority	Transport
Medical Bureau of Road Safety	Transport
National Roads Authority	Transport
National Safety Council	Transport
Railway Procurement Agency	Transport
Arramara Teo	Údarás na Gaeltachta

Appendix

3

Explanation of matrices

Strategic HR autonomy

This measures combinations of the ability of local and regional bodies to decide on strategic general policy in relation to staff numbers, staff appointments/selection procedures, staff salary levels, conditions for promotion, staff tenure, staff evaluation schemes and general criteria for dismissal (see question 13 of the questionnaire, in Appendix 5). The score is based on a matrix developed by the Instituut voor de Overheid for their 2002 study of Belgian public bodies. It ranges from those public bodies which are able to decide on all of the above issues without ministerial/departmental influence and who therefore have maximum strategic HR autonomy; to those who are unable to decide on any of these issues independently and which therefore have no strategic HR autonomy.

The scores for each answer are as follows:

- Yes – 1
- No – 2
- Maximum total possible (there are seven variables) = 14 (no strategic HR autonomy)
- Minimum total possible = 7 (maximum strategic HR autonomy)

Ranked scores:

- 14 – no strategic HR autonomy
- 12/13 – minimum strategic HR autonomy
- 11 – low strategic HR autonomy
- 9/10 – moderate strategic HR autonomy
- 8 – high strategic HR autonomy
- 7 – maximum strategic HR autonomy

For each of the sub-sectors, the unit of measurement is the modal response to each question for the sub-sector, i.e. the most common response by the organisations in a particular grouping such as enterprise boards. Where two or more equal modal responses were recorded, an average result is used.

General HR autonomy for individual staff

This measures combinations of the ability of agencies to decide on HR conditions for individual members of staff, in relation to salary, promotion, tenure, evaluation, dismissals and appointments (see question 14 of the questionnaire). The scores allocated for each answer were as follows:

- Yes for all staff – 1
- Yes for most staff – 2
- Yes for some staff – 3
- No – 4
- Maximum total possible (there are six variables) = 24 (no HR autonomy for individual staff)
- Minimum total possible = 6 (maximum HR autonomy for individual staff)

As the agencies could provide a range of answers, the ranked scores were therefore as follows:

- 6 – maximum HR autonomy for individual staff
- 7-12 – high HR autonomy for individual staff
- 13-17 – moderate HR autonomy for individual staff
- 18-23 – low HR autonomy for individual staff
- 24 – no HR autonomy for individual staff

Again, for each of the sub-sectors, the unit of measurement is the modal response to each question for the sub-sector, i.e. the most common response by the organisations in a particular grouping. Where two or more equal modal responses were recorded, an average result is used.

Financial autonomy

This measures combinations of the ability of agencies to be able to take out loans, set charges, shift budget allocations by function and shift budget allocations by year (see question 15 of the questionnaire). The scores allocated for each answer were as follows:

- Yes, can decide without ministerial/departmental approval – 1
- Can decide with ministerial/departmental approval – 2
- Cannot decide – 3
- Maximum total possible (there are four variables) = 4 (maximum financial autonomy)
- Minimum total possible = 12 (no financial autonomy)

As the agencies could provide a range of answers, the ranked scores were therefore as follows:

- 4 – maximum financial autonomy
- 5-6 – high financial autonomy
- 7-8 – moderate financial autonomy
- 9-11 – low financial autonomy
- 12 – no financial autonomy

Again, for each of the sub-sectors, the unit of measurement is the modal response to each question for the sub-sector, i.e. the most common response by the organisations in a particular grouping. Where two or more equal modal responses were recorded, an average result is used.

Policy autonomy

This matrix measures the autonomy of the agency in relation to its choice of target group and policy instruments (see question 16 and 17 of the questionnaire). The scores for each answer were as follows:

- Agency decides, little or no departmental/ministerial involvement – 1

- Agency decides following consultation with department/minister – 2
- Agency decides within conditions set by department /minister – 3
- Department/minister decides following consultation with agency – 4
- Department/minister decides, agency not involved – 5

In some cases, these conditions were set by legislation. In this case, the score given is 3, the median score for autonomy, as in this case neither the agency nor the department had autonomy over each other.

- Maximum total possible (there are two variables) = 2 (maximum autonomy)
- Minimum total possible = 10 (no autonomy)

The ranked scores are therefore:

- 2 – maximum policy autonomy
- 3-4 – high policy autonomy
- 5-6 – moderate policy autonomy
- 7-8 – low policy autonomy
- 9 – minimum policy autonomy
- 10 – no policy autonomy

For each of the sub-sectors, the unit of measurement is the modal response to each question for the sub-sector, i.e. the most common response by the organisations in a particular grouping. Where two or more equal modal responses were recorded, an average result is used.

Appendix

4

Sample cover letter and Questionnaire

Letter to respondents:

Dear X

Re: Corporate governance of Irish public sector bodies

I am writing to you about the second phase of a research programme on the governance and accountability of Irish public sector bodies⁹⁴ which is being undertaken by Committee for Public Management Research (CPMR – for more information, see <http://www.cpmr.gov.ie/>). The first phase of this study, which focused on national level bodies, was published last Autumn⁹⁵. This programme of research provides a valuable resource by mapping the development of Irish public sector bodies and identifying best practice on their governance.

The Institute of Public Administration (IPA) is carrying out this study on behalf of the CPMR (for information on the Institute, see www.ipa.ie). The IPA has developed the study in partnership with the Instituut voor de Overheid (Public Management Institute), of the Catholic University of Leuven. It is part of a major international study of state organisations, including those in Flanders (Belgium), Norway, Germany, Italy and the Netherlands. This original, cross-national research provides a valuable resource not only for mapping the development of Irish public sector bodies and identifying best practice on our governance arrangements but also for benchmarking Irish

experience with that in other public administrations. In order to achieve this, the study's definition of public sector bodies is specifically wider than that which we would often use in Ireland in order to ensure international comparability.

A key task of this second phase of the Irish study is to assess systems of autonomy and accountability within non-commercial public sector bodies operating at regional and local level. To do so, a questionnaire survey has been designed, which we are inviting you to complete for your organisation, by **Monday 20 March 2006**. Your answers will be strictly confidential, and will be reported in a way that will not reveal the identity of your organisation. The aggregate findings of the survey will form a major part of a CPMR report on the governance of Irish public sector bodies, to be published later in 2006. In the meantime, all those who complete the questionnaire will receive a copy of the summary findings from the survey, as well as a copy of the final CPMR report.

The questionnaire is web based, and to be completed on-line. This enhances data collection and analysis, and also greatly assists confidentiality of the information, as only personnel in the Research Division of the IPA will be issued with passwords to access the data. The questionnaire is being hosted on the server of the Institut voor Overheid of the Catholic University of Leuven, and is accessible at the following web address:

<http://www.publicmanagement-cobra.org/survey/irish2006/>

⁹⁴ A public sector body is defined as one that has the following characteristics:

Performs some public function

Is structurally differentiated from other organisations

Has some capacity for autonomous decision-making

Has some expectation of continuity over time

Has some personnel and

Has some financial resources

Altogether, 601 such organizations have been identified in Ireland.

⁹⁵ *The corporate governance of agencies in Ireland: Non-commercial national agencies*

If for any reason you are not able to access this web-page, please contact Jeanette Mair at jmair@ipa.ie or 01-240 3760 and we will forward a PDF version of the questionnaire to you, which you can complete and return to us in either electronic or paper format. For any other queries, suggestions or assistance in completing the questionnaire, please contact me at mmaccarthaigh@ipa.ie or 01-2403758; or Dr Peter Humphreys at phumphreys@ipa.ie or at 01-240 3755.

As I am sure you appreciate, best practice needs to be underpinned by the most accurate and comprehensive information available. With your support, we are confident that the results of this study will help the future development of Irish public sector bodies.

Yours sincerely

Dr Muiris MacCarthaigh
Survey Manager

Dr Peter Humphreys
Executive Director, Research

Questionnaire on the governance and accountability of Irish public sector bodies

Contact details for further information. For any queries you may have in completing this questionnaire, please contact the survey manager Dr Muiris MacCarthaigh, at mmaccarthaigh@ipa.ie, or 01-240 3758 or Dr Peter Humphreys, at phumphreys@ipa.ie, or 01-240 3755.

Thank you.

Section one

Respondent information

Organisation name (text answer) _____

What is your function in the organisation?

(please select one option)

- CEO or equivalent _____
- Company secretary or equivalent _____
- Financial director _____
- HR director _____
- Senior manager/Director of Service _____
- other (please specify) _____

The Organisation

1. What Government Department/body is your organisation directly under the aegis of? (text answer) _____

2. What is the policy field in which your organisation operates? (please select up to two options)

- education _____
- enterprise _____
- environment _____
- equality _____
- infrastructure _____
- natural resources _____
- local development _____
- social service _____
- training _____
- other, please specify _____

3. What are the primary and secondary functions of the organisation? (please select one option for 'primary' and one for 'secondary')

- | | Primary | Secondary |
|--|---------|-----------|
| — to advise | _____ | _____ |
| — direct implementation of policy | _____ | _____ |
| — provision of information | _____ | _____ |
| — commercial development | _____ | _____ |
| — promotional (non-commercial) development | _____ | _____ |
| — co-ordination | _____ | _____ |
| — regulation | _____ | _____ |
| — other, please specify | _____ | _____ |

4. In what year was your organisation established in its present form? (text answer) _____

5. Did the organisation exist in a previous form? (please select one answer)

- Yes
- No If no, please proceed to question 7

6. If yes, what organisation/s preceded it and approximately when were they set up? (text answer)

7. What was the influence of the EU in the organisation's [current] form? (please select one option)

- strong influence _____
- some influence _____
- no influence _____

If no influence, please proceed to qn. 9

8. If there was EU influence, what was this due to? (please select one option)

- EU legislation _____
- EU funding _____
- both _____
- other, please specify _____

9. Under what type of legislation was the organisation set up? (please select one option)

- Irish Act _____
- Irish statutory instrument _____
- EU legislation _____
- other, please specify _____
- Not applicable _____

10. What is the legal status of the organisation? (please select one option)

- private company _____
- public company _____
- statutory corporation _____
- corporate body _____
- other, please specify _____
- don't know _____
- not applicable _____

11. What were the employee numbers (full-time equivalents) at the end of 2005? (text answer)

12. What was the organisation's budget for 2005? (text answer)

Section two – Autonomy

13. Human Resources – is the organisation able to **set general policy** for the organisation on the following, without Ministerial/Departmental influence? (please select one option for each item)
- | | | | |
|--|-----|----|-----|
| — Staff numbers | yes | no | N/A |
| — Staff appointment/
selection procedures | yes | no | N/A |
| — Staff salary levels | yes | no | N/A |
| — Conditions for promotion | yes | no | N/A |
| — Staff tenure | yes | no | N/A |
| — Staff evaluation schemes | yes | no | N/A |
| — General criteria for
dismissal | yes | no | N/A |
14. Human Resources – is the organisation able to decide on the following for **individual** members of staff, without Ministerial/Departmental influence?
- Salary (please select one option)
 - yes for all staff
 - yes for most staff
 - yes for some staff
 - no
 - N/A
 - Promotion (please select one option)
 - yes for all staff
 - yes for most staff
 - yes for some staff
 - no
 - N/A
 - Tenure (please select one option)
 - yes for all staff
 - yes for most staff
 - yes for some staff
 - no
 - N/A
 - Staff evaluation (please select one option)
 - yes for all staff
 - yes for most staff
 - yes for some staff
 - no
 - N/A
 - Dismissals (please select one option)
 - yes for all staff
 - yes for most staff
 - yes for some staff
 - no
 - N/A
 - Appointment
 - yes for all staff
 - yes for most staff
 - yes for some staff
 - no
 - N/A
15. Finance – Can the organisation do the following:
- Take out loans (please select one answer)
 - Yes, fully without conditions set by Minister/Department and without prior approval from Minister/Department
 - Yes, within conditions set by Minister/Department or with prior approval from Minister/Department
 - No
 - N/A
 - Set charges for services (please select one answer)
 - Yes, fully without conditions set by Minister/Department and without prior approval from Minister/Department
 - Yes, within conditions set by Minister/Department or with prior approval from Minister/Department
 - No
 - N/A
 - Shift budget allocations between different functions (please select one answer)
 - Yes, fully without conditions set by Minister/Department and without prior approval from Minister/Department
 - Yes, within conditions set by Minister/Department or with prior approval from Minister/Department
 - No
 - N/A
 - Shift budget allocations between years (please select one answer)
 - Yes, fully without conditions set by Minister/Department and without prior approval from Minister/Department
 - Yes, within conditions set by Minister/Department or with prior approval from Minister/Department
 - No
 - N/A
16. Policy – how does the organisation decide on the target group for its actions/functions? (please select one option)
- Organisation takes most of the decisions itself, Minister/Department are not or only slightly involved in the decision making process and sets few restrictions
 - Organisation takes most of the decisions itself, following consultation with the Minister/Department
 - Organisation takes most of the decisions itself under conditions or restrictions set by the Minister/Department
 - The Minister/Department takes most of the decisions, following consultation with the organisation
 - The Minister/Department takes most of the decisions, independently of the organisation

- Most of the decisions are set by legislation instead of being taken by the Minister/ Department or by the organisation itself
- Other, please specify _____
- Not applicable

17. How does the organisation decide on the policy instruments whereby it delivers its functions? (please select one option)
- Organisation takes most of the decisions itself, Minister/Department are not or only slightly involved in the decision making process and sets few restrictions
 - Organisation takes most of the decisions itself, following consultation with the Minister/Department
 - Organisation takes most of the decisions itself under conditions or restrictions set by the Minister/Department
 - The Minister/Department takes most of the decisions, following consultation with the organisation
 - The Minister/Department takes most of the decisions, independently of the organisation
 - Most of the decisions are set by legislation instead of being taken by the Minister/Department or by the organisation itself
 - Other, please specify _____
 - Not applicable

Type of representative	Number of these representatives	Number of these representatives with voting rights
— Central Government reps	_____	_____
— Other Governmental reps	_____	_____
— Representatives of trade unions	_____	_____
— Reps of employer organisations	_____	_____
— Employees of the organisation	_____	_____
— Representatives of stakeholders	_____	_____
— Independent experts	_____	_____
— Elected members	_____	_____
— Other, please specify _____		

21. Has the board/council/organisation established an audit committee? (please select one option)
- yes _____
 - no _____
 - N/A. _____
- If the answer is no or N/A – please skip to question 24

22. If yes, how many members does the audit committee have? (text answer)
- _____

23. And how many members have expertise in the following?
- audit & accounting _____
 - general management _____
 - other _____

24. Does the organisation publish an annual report? (please select one option)
- yes _____
 - no _____

25. Is there a code of business conduct defining the standards of behaviour to which board/council members are to subscribe? (please select one option)
- yes _____
 - no _____

26. Is there a code of business conduct defining the standards of behaviour to which employees of the organisation are to subscribe? (please select one option)
- yes _____
 - no _____

27. Does the organisation use the following? (please select one option)

Section three – Accountability and responsibility

18. Does the organisation have a board (or council) which is responsible for overseeing the direction and delivery of the organisation’s performance? (please select one option)
- yes _____
 - no _____
 - N/A. _____
- If the answer is no or N/A – please skip to question 21

19. If yes to question 20, who appoints the board/council members? (please select all relevant options)
- Minister alone _____
 - Minister after formal/informal consultation with organisation _____
 - Minister after nomination by and/or consultation with stake holders _____
 - Members appointed by election _____
 - Members appointed by stake holders _____
 - Other, please specify _____

20. How many board (or council) members are there from the following groups, and how many of these have voting rights?

- an external audit service _____
- an internal audit service _____
- both _____
- none of these _____
28. If the organisation uses an external audit service, in what year was the last external audit carried out? (text answer) _____
29. Which of the following are considered in either the external or internal audit process? (please select all options which apply)
- Financial results _____
- Organisational results _____
- Legality and compliance _____
- Internal control systems _____
- Other, please specify _____
30. Has your organisation been the subject of an ad hoc/non-routine audit within the last five years? (please select all options which apply)
- No _____
- Yes, and we carried this audit out internally _____
- Yes, and we contracted another body to carry out this audit _____
- Yes, and this audit was carried out by another Government body (e.g. Local Government Management Services Board) _____
- Yes, and this audit was carried out by a body linked to the Oireachtas (e.g. Public Accounts Committee) _____
- Yes, and this audit was carried out by an organisation commissioned by an overseeing authority _____
31. What are the primary and secondary sources of the organisation's income? (please select one option for 'primary' and one option for 'secondary')
- | | Primary | Secondary |
|--|---------|-----------|
| — Direct budget allocation from Government | _____ | _____ |
| — Transfers from other Government budgets | _____ | _____ |
| — EU funding | _____ | _____ |
| — Fees/charges | _____ | _____ |
| — Gifts/sponsorship/membership | _____ | _____ |
| — Other (please specify) | _____ | _____ |
32. Who appoints the CEO or equivalent? (please select one option)
- The board/council _____
- The board/council after nomination by or consultation with the organisation _____
- The Government or Minister _____
- The Government or Minister after nomination by or consultation with the organisation _____
- Other, please specify _____
33. Is the specific role of the CEO or equivalent recorded in writing? (please select one option)
- Yes _____
- No _____
34. Is the specific accountability of the CEO or equivalent recorded in writing? (please select one option)
- Yes _____
- No _____
35. What is the CEO or equivalent accountable for? (please select relevant answers for each option)
- | | Yes | No | N/A |
|---|-------|-------|-------|
| — Results | _____ | _____ | _____ |
| — Functioning of organisation | _____ | _____ | _____ |
| — Administration of budget | _____ | _____ | _____ |
| — Compliance with rules and regulations | _____ | _____ | _____ |
| — Other | _____ | _____ | _____ |
| — None of these | _____ | _____ | _____ |
36. On what type of contract is the CEO or equivalent appointed? (please select one option)
- Permanent _____
- Fixed term _____
37. By whom is the CEO or equivalent evaluated? (please select all relevant options)
- Minister _____
- The Board/Council _____
- Dáil _____
- Other, please specify _____
- N/A _____

Section four – Accountability and direction

38. Does the organisation produce a document which goes to Government and which specifies the following? (please select one option for each item)
- | | Yes | No | N/A |
|-------------------------|-------|-------|-------|
| — strategy | _____ | _____ | _____ |
| — objectives | _____ | _____ | _____ |
| — planned investment | _____ | _____ | _____ |
| — financial targets | _____ | _____ | _____ |
| — non-financial targets | _____ | _____ | _____ |
39. Does the organisation report in a document which goes to Government on how it has delivered on the following? (please select one option for each item)
- | | Yes | No | N/A |
|-------------------------|-------|-------|-------|
| — strategy | _____ | _____ | _____ |
| — objectives | _____ | _____ | _____ |
| — planned investment | _____ | _____ | _____ |
| — financial targets | _____ | _____ | _____ |
| — non-financial targets | _____ | _____ | _____ |
40. Are the goals of the organisation set in qualitative or quantitative terms? (please select one option)

- Qualitative _____
- Quantitative _____
- Both _____
41. Is the organisation involved in the setting of goals? (please select one option)
- Yes, we set goals ourselves _____
- The organisation sets the goals in co-operation with the parent body/ Department _____
- The parent body/Department determines the goals in co-operation with the organisation _____
- No, the parent body/Department set the goals on their own _____
42. To make goals measurable, indicators are used. To what extent are the following factors measured with the indicators used? (please select one answer for each type)
- | | To a large extent | To some extent | Not at all |
|---------------------------------|-------------------|----------------|------------|
| — Effects on society | _____ | _____ | _____ |
| — Quality of services | _____ | _____ | _____ |
| — Use of resources | _____ | _____ | _____ |
| — Activities & task performance | _____ | _____ | _____ |
| — Quantitative results | _____ | _____ | _____ |
| — Qualitative results | _____ | _____ | _____ |
43. How many indicators are there in the organisation's strategy statements? (please select one option)
- None _____
- 10 _____
- 11-20 _____
- 21-49 _____
- 50 _____
44. How has the number of indicators changed in the last five years? (please select one option)
- More indicators _____
- Less indicators _____
- No change _____
45. To what extent do the indicators reflect the full range of the organisation's activities? (please select one option)
- To a large extent _____
- To some extent _____
- To a small/no extent _____
46. To what extent are indicators used in the relationship between the organisation and the parent body/Department? (please select one option)
- To a large extent _____
- To some extent _____
- To a small/no extent _____
47. How frequently does your organisation report non-financial results to the parent body/Department? (please select one option)
- At least monthly _____
- At least quarterly _____
- At least twice a year _____
- Less than once a year _____
- No such reporting _____
48. Who evaluates the non-financial results of the organisation? (please select all relevant)
- Organisation itself _____
- Parent department _____
- Third parties, under the direction of your organisation _____
- Third parties, under the direction of the parent body/Department _____
- Others _____
- Nobody _____
49. To what extent are there rewards for the organisation when it has good results or reaches targets? (please select one option)
- To a large extent _____
- To some extent _____
- Not at all _____
- If not at all – please skip to question 51
50. If the organisation is rewarded for good results or achieving goals, then what form do these rewards take? (please tick all relevant options)
- Wage increase/bonuses for all staff _____
- Wage increase/bonuses for senior management only _____
- Greater autonomy _____
- Increase in resources allocated to the organisation _____
- other, please specify _____
51. To what extent are there sanctions for the organisation when it has poor results or fails to reach targets? (please select one option)
- To a large extent _____
- To some extent _____
- Not at all _____
- If not at all – please skip to question 53
52. If the organisation is sanctioned for poor results or not achieving goals, then what form do these sanctions take? (please tick all relevant options)
- Wage decrease/bonuses for all staff _____
- Wage decrease/bonuses for senior management only _____
- Less autonomy _____

Definitions

Public service body – a public sector organisation that has the following characteristics:

- Performs some public function
- Is structurally differentiated from other organisations
- Has some capacity for autonomous decision-making
- Has some expectation of continuity over time
- Has some personnel and
- Has some financial resources.

Qn. 2 – Policy field

- *infrastructure* – includes housing, infrastructure services, infrastructure
- *natural resources* – includes agriculture, fisheries, environment, natural resources
- *health* – includes health and medical
- *local development* – urban and rural
- *social service* – includes charity, childcare, children, social development, social security

Qn 3 – Function of organisation

- *Implementing policy* – e.g. direct service delivery, or transfer of funds
- *Regulation* – regulation of economic or social issues in wider society; or regulation of the public sector
- *Advice and policy development* – providing objective advice about policies
- *Information* – collection and/or provision of information, for public use
- *Research*
- *Commercial development*
- *Promotional* – focused on developing a sector, but not for commercial ends, e.g. the promotion of the Irish language, or of safety, or of literacy
- *Representation* – providing segments of civil society with representational and participatory opportunities
- *Registration* – registration of professional groups, e.g. nurses
- *Co-ordination* – co-ordinating the activities of a number of different groups or organisations

Qn 13 – Ability to set general policy on HR – meaning that the organisation has free choice to set general principles and rules with regard to the use of resources in the HR area

Qn 13/14 - Staff tenure – i.e. length of contract, such as temporary or permanent

Qn 16 – Target group – groups at whom the organisation's policy instruments are directed

Qn 17 – Policy instrument – instruments with which policy is implemented, e.g. subsidies, training, provision of information

Qn 20 – Board members

- other Governmental representatives – e.g. those from local government
- representatives of employee organisations – e.g. those from trade unions
- representatives of employees of the organisations – e.g. a staff representative
- representatives of stakeholders, e.g. interest groups

Qn 21 – Audit committee – a committee with responsibility for independent review of systems of internal control and the external audit process

Qn 27 – Internal audit service – review of the financial management and results of the organisation, by the organisation

Qn 27/28 – External audit service – review of the financial management and results of the organisation, by an external body

Qn 32 – CEO – the manager of the organisation, the person who is responsible for the day-to-day management of the organisation and thus also for implementation of its functions

Qn 38

Strategy – means by which resources will be used to meet organisation's objectives

Objectives – the goals of the organisation's work

Planned investment – investment to expand the organisation, or to expand its existing work

Financial targets – a specified goal in terms of finance, e.g. to spend 100,000 euro on a specific policy area

Non-financial targets – a specified goal in a non-financial area, e.g. number of persons to be trained, number of webpage hits