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### WHAT IT MEANS FOR LOCAL GOVERNMENT



Inside: Municipal Finance and the Local Economy post-Covid
Planning for the Future Lessons from the Community Call
Local Authority Performance in 2020

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#### After Lockdown: Municipal finance and the local economy

Gerard Turley and Stephen McNena (NUI Galway) outline their ideas for a potential new source of revenue income for local authorities.



#### Office of the Planning Regulator Case Study Reports

A short article on some of the key findings from case studies published by the Office of the Planning Regulator.

## Community Call: Learning for the Future webinar

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#### **Peak Performance**

The National Oversight and Audit Commission's seventh annual report on local government performance identified areas of improvement and other areas which experienced mixed results.

## TIME FOR REFLECTION



his edition of the *Local Authority Times* comes out as another year draws to a close.

There are important award ceremonies in the local government calendar around this time of year. Congratulations for their achievements to all involved in this year's Chambers Ireland Excellence Awards, the Green Flag Awards and the Tidy Towns Competition.

With Christmas on the way, many local authorities are involved in organising events, markets and festivals to bring some festive cheer to towns, cities and communities. However, as we're all too aware, the pandemic hasn't gone away and the threat of Covid will sadly loom over the Christmas period again.

Speaking of which, additional funding (a package of €61 million) for local government was recently announced by the Department of Housing, Local Government and Heritage to help cover the cost of Covid-19 expenses in 2021. These costs included pedestrianisation works, provision of outdoor facilities, support towards the vaccination programme and a host of wellbeing initiatives. Minister of State Peter Burke, TD, acknowledged the hard work of local authorities who *'operated under difficult circumstances again this year'* with income severely affected by the ongoing pandemic. Hopefully 2022 will bring a change of fortunes.

With the pandemic having such a negative effect on Ireland's economy and income for local government, Gerard Turley and Stephen McNena (NUI Galway) contribute an article proposing 'a new and sensible source of revenue income for local authorities'.

In the context of Ireland's new *Climate Action Plan*, members of the Eastern and Midlands Climate Action Regional Office provide the second part of their review of climate change policy. Their focus is on the economic opportunities for enterprises arising from climate policy and the part of local authorities in all of this.

With a rising population, infrastructural deficits, and acute challenges facing the country, the government has big plans for the future. New national plans were published in recent months which envisage a greener Ireland, served by efficient and cost-effective infrastructure and with housing for all. The local authorities will play a major role in helping deliver on these ambitions. An article looks at *Housing for All, the National Development Plan 2021–30* and the *Climate Action Plan 2021* and what they broadly mean for local government.

We are very thankful to our contributors for submitting articles. The *Local Authority Times* aims to cover a broad range of relevant topics and we are always interested in receiving submissions from our readers.

Please contact: Fergal O'Leary (acting Editor) at: latimes@ipa.ie

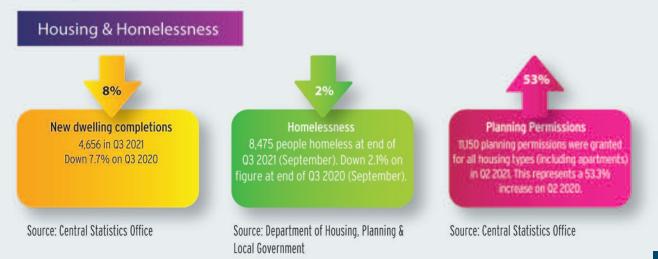
#### LOCAL GOVERNMENT IN NUMBERS: An overview of key indicators

#### Key Quarterly Data, November 2021





Number of staff in Q2 2021 was **30,465** - an increase of 2,055 from Q2 2020. This is the first time in ten years that there are over 30,000 staff in the local authorities. (30,005 staff were reported for Q3 2011). **\*Data not available for Q3 2020** Source: Department of Public Expenditure and Reform





Municipal finance and the local economy post Covid-19: revenues reassigned and rates reduced



Gerard Turley, NUI Galway



Stephen McNena, NUI Galway

Dr. Gerard Turley and Stephen McNena J.E. Cairnes School of Business and Economics, and the Whitaker Institute, NUI Galway he effects of the Covid-19 pandemic on the economy may be long lasting, with the economics profession often citing what it calls post-crisis scarring effects. One such impact is on the finances of the local government sector, and, in particular, the effect of the lockdown and the subsequent contraction in economic activity on the own-source revenues of local authorities, specifically commercial rates and income from charges for local public services. Although this has been partly mitigated by the central government's compensation to local authorities for rates income forgone vis-à-vis the Rates Waiver Scheme, there is the long-term issue of the sustainability of rates from commercial properties given the megatrends of online retail, remote working/WFH, and city centre businesses and their workforce seeking relocation in their search for lower costs and more space.<sup>1</sup>

<sup>1</sup> In the UK, a review of business rates was announced in Budget 2020 with the full report due by end 2021. An interim report was published in March 2021, and is available at https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/attachment\_data/file/971681/ Fundamental\_Review\_Interim\_Report.pdf Given this background, recent patterns in local government funding and likely future trends, our proposal has two objectives. Its purpose is to provide a new and sensible source of revenue income for local authorities, based on sound principles of fiscal federalism and local public finance, while at the same time, to grow the tax base of local authorities by providing for a reduction in commercial rates for existing ratepayers, but also on new business formation with rateable properties.

We begin with our conceptual framework. Any discussion on intergovernmental arrangements and fiscal decentralisation can be framed using the so-called four pillars or building blocks of intergovernmental finance (see Figure 1).<sup>2</sup>

The four pillars are expenditure assignment, revenue assignment, intergovernmental transfers, and borrowing and debt. In this brief article, we are interested in the revenue assignment pillar, namely the revenues that are assigned to the different tiers of government. Although the theory of expenditure assignment is relatively straightforward – central government is responsible for functions relating to income redistribution and macroeconomic stabilisation, with subnational governments largely responsible for resource allocation – the principles underlying revenue assignment are less clear. From the intergovernmental finance literature, we show in Figure 2 some basic guidelines or criteria for assigning revenues, with some specific examples of taxes assigned to different tiers of government. PILLARS OF FISCAL DECENTRALISATION

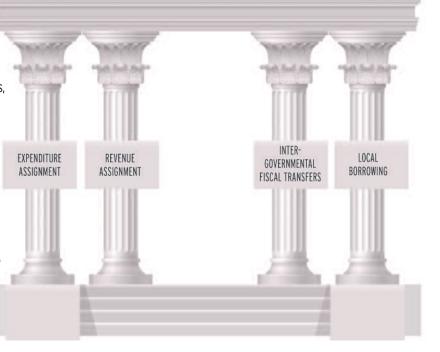
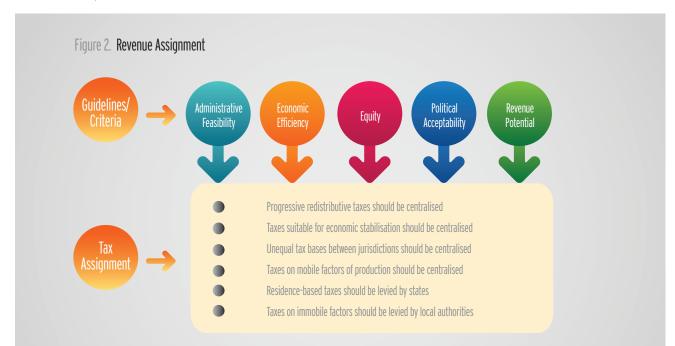


Figure 1. The Pillars of Fiscal Decentralisation Source: Adapted from Bird (2000)

<sup>2</sup> This is sometimes referred to as having five pillars, where the additional pillar is the territorial and institutional arrangements that govern the intergovernmental fiscal relations of a country. We omit it here as we are focused on the assignment of expenditures and revenues.



Source: Adapted from Musgrave (1983); UNDP (2007)

#### Table 1. Tax Assignment

Type of tax	Determ base	ination of rate	Collection and administration	Comments
Customs	F	F	F	International trade taxes
Corporate income	F	F	F	Mobile factor, stabilisation tool
Resource taxes				
Resource rent (profits, income) tax	F	F	F	Highly unequally distributed tax bases
Royalties, fees, charges	S, L	S, L	S, L	Benefit-taxes/charges for state-local services
Personal income	F	F,S,L	F	Redistributive, mobile factor, stabilisation tool
Wealth taxes	F	F,S	F	Redistributive
Payroll	F,S	F,S	F,S	Benefit charge, e.g. social security coverage
Multi-stage sales tax (VAT)	F	F	F	Harmful inter-state tax competition
Single-stage sales taxes	F	S	F	Harmonised
Excise				
Alcohol and tobacco	F,S	F,S	F,S	Healthcare a shared responsibility
Motor fuels and carbon taxes	F,S,L	F,S,L	F,S,L	To combat pollution
Motor vehicles	S	S	S	State responsibility
Business taxes	S	S	S	Benefit tax
Property and land	S	L	L	Immobile factor, benefit tax

Note: F is federal; S is state, region or province; L is local or municipal. Source: Adapted from Shah (1994)

A more detailed account of tax assignment and specifically subnational (regional/state and local/municipal) taxes is outlined in Table 1.

With subnational government providing goods and services characterised by limited spillovers and limited economies of scale, on the funding side we know what constitutes a good local tax i.e. levied on relatively immobile bases and imposed mainly on local residents, easily administered locally, with a base that is relatively evenly distributed, and with yields that are relatively stable over the economic cycle.

Returning to Table 1, from a theoretical perspective our interest here is on taxes assigned to subnational governments and, in particular, the case of motor taxes assigned to local government, where revenue from the tax levied on motor vehicle ownership accrues to the local authority where the owner of the vehicle resides. A central feature of any good system of local government is the matching or benefit principle, i.e. linking the taxes paid with the benefits received and in line with the costs of the service provided. As with benefit-related taxes, the motor tax accrues to local government, and, in turn, is used for the delivery of local services, including the maintenance of local roads, traffic management, road safety, street cleaning, etc.

For this reason, motor taxes are generally considered to be good candidates for assignment to subnational (or in the

Irish case, local) government. We already know that a property tax is a good local tax. Although not on a par with property taxes due to the mobile nature of motor vehicles, what is less well known is that motor tax meets many of the criteria of a good local tax. Quoting the late Richard Bird (2000: 2), 'The only major revenue source usually seen as passing these stringent tests is the property tax, with perhaps a secondary role for taxes on vehicles...'

For some tax sources listed above, tax base and revenuesharing mechanisms are popular, where, in the case of the latter, revenue is shared between two or more tiers of government. Given the theoretical argument outlined above to assign motor tax to local government, combined on the other hand with the political necessity for central government to retain its current tax sources, a compromise is a revenue-sharing arrangement with respect to motor tax where the motor tax revenue is shared between Irish central and local government. In theory, if earmarked, central government could use motor tax to help finance the national roads network while local governments could use such a tax to fund regional and local roads. The actual fixed share is a political decision based on political economy considerations and other constraints, and would normally be subject to periodic review and adjustments.

Before the local government reforms and the introduction of the Local Property Tax (LPT) in the mid-2010s, motor tax

was assigned to local rather than central government. More specifically, it was paid into the Local Government Fund (LGF), which, in turn, allocated monies to local authorities in the form of central government grants, both general-purpose payments and specific-purpose grants for non-national roads.<sup>3</sup> Motor tax income was about €1bn per annum. With the establishment of Irish Water, the introduction of the LPT and other changes to

local government funding, motor tax is now paid to the Exchequer for central government spending. As for the separate issue of collection, it is still collected by the motor tax offices of the local authorities.

Rather than assign this revenue source to only one level of government, our proposal is to share the yield between central

#### Table 2. Local Authorities and Commercial Rates\*

20% or less reduction in the ARV		ARV 2019**
Clare County Council	72.99	
Cork City Council / Cork County Council	74.98 / 74.75	
DCC / DLR County Council / Fingal County Council / SDCC***		0.2610 / 0.1673 / 0.1500 / 0.2760
Kerry County Council	79.25	
Kildare County Council		0.2246
Limerick City & County Council		0.2677
Louth County Council	60.00	
Waterford City & County Council		0.2583
21%-25% reduction in the ARV		
Carlow County Council		0.2571
Donegal County Council	71.81	
Galway City Council / Galway County Council	67.4 / 66.59	
Mayo County Council	75.40	
Monaghan County Council	59.04	
Offaly County Council		0.2198
Sligo County Council		0.2300
Wexford County Council	73.67	
More than a 25% reduction in the ARV		
Cavan County Council	60.87	
Kilkenny County Council		0.2000
Laois County Council		0.2217
Leitrim County Council		0.2103
Longford County Council		0.2401
Meath County Council	69.62	
Roscommon County Council		0.2250
Tipperary County Council	56.77	
Westmeath County Council		0.1830
Wicklow County Council	72.04	

Notes: \*In Dublin, Cork and Galway, motor tax is collected by DCC, Cork County Council, and Galway County Council motor tax offices on behalf of the other local authorities. As a breakdown of motor tax receipts for these local authorities is not available, we use the number of households as a proxy to apportion the motor tax income. Although we report above the actual ARV for each of these local authorities, we use an average rate when calculating the change in the ARV in the case of these three administrative areas. For the four Dublin councils we use two separate groups (DCC/SDCC and DLR/ Fingal) to calculate averages, due to the similar ARVs in each group. \*\*The two columns of ARV reported here are due to local authority areas that have had rateable properties revalued (e.g. the four Dublin local councils, with an ARV beginning with 0.1 or 0.2) and those where a rates revaluation had not taken place by 2019 (e.g. the two Galway local councils, with an ARV beginning with 66. or 67.). \*\*\* DCC = Dublin City Council, DLR = Dún Laoghaire Rathdown, SDCC = South Dublin Council. Source: authors' calculations

<sup>3</sup> The LGF is a central fund financed by motor tax (up to 2017), the LPT and Exchequer contributions, and is used to pay for certain local government services, vis-à-vis LPT payments. Since 2018, motor tax is paid to the Exchequer and LPT receipts are paid directly into the fund by Revenue.

and local government, on a pre-determined basis. As already alluded to, revenue-sharing arrangements between different tiers of government are common in other jurisdictions, and especially in federal countries and in many Central and Eastern European economies. Revenue sharing of tax receipts on ownership of motor vehicles is also not uncommon. Indeed, as noted by the World Bank, in many countries motor vehicle tax is typically a shared tax, with local governments receiving 50 to 100% of the yield.<sup>4</sup>

For illustrative purposes, we take the financial year 2019, and motor tax receipts of  $\in$ 964m. In our simulations, we take a modest 25/75 split, with 25% of motor tax receipts accruing to local government on a derivation basis, i.e. shared in proportion to the revenue collected in each local authority.<sup>5</sup> With a 25% share to local government, amounting to  $\in$ 241m in 2019, this translates into a 16% reduction in commercial rates income needed by local authorities to balance their adopted budgets.

In terms of the Annual Rate on Valuation (ARV), which when multiplied by the rateable valuation of a property determines the annual ratepayer's liability, this amounts to a 20–25% average reduction in the ARV.<sup>6</sup> While urban councils, in Dublin and Cork for example, which depend relatively more on rates for their annual income, could see, on average, a potential rate cut of up to 15% or so, some smaller rural councils could implement a reduction in the ARV of up to about 30%, while, at the same time, continuing to maintain public services and manage the local public finances. Whatever the precise cut in the ARV, it amounts to a significant and permanent reduction in the annual rates bills for businesses with rateable properties. Table 2 reports the 31 local authorities, their 2019 ARV and the range of estimated reductions in the ARV arising from the proposed revenue-sharing arrangement for motor tax. Given the wide range of reductions, we report three categories, namely cuts in the ARV of 20% or less, cuts between 21% and 25%, and cuts of over 25%.

It is important to restate that these ARV reductions do not mean cuts in local public services or any softening of subnational fiscal discipline. The revenue-sharing arrangement whereby local government is assigned 25% of motor tax revenues affords local authorities the opportunity to maintain the level of public service provision and balance their annual revenue budgets, but all at a lower ARV, as a smaller amount of commercial rates needs to be levied.

We recognise that the annual extra income from motor tax could be used in alternative ways, to, for example, improve the delivery of existing public services or increase reserves to fund capital projects in the future. Although it is a policy choice for local authorities, we believe that in the current circumstances priority should be given to reducing commercial rates as a way to grow the local economy, post Covid-19.<sup>7</sup> As for the Exchequer, the cost to the central government of sharing this revenue source and the tax income forgone is offset by a local government sector that is financially more sustainable and a local economy that is bigger in size. This proposal to reassign revenues and reduce rates can be a win-win for all.

For more details on this and other research on the economics of local government in Ireland, go to www.localauthorityfinances.com.

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<sup>&</sup>lt;sup>4</sup> The same World Bank publication states that a '...great variety of local taxes exist, although most countries rely on property taxes, motor vehicle taxes, and sales and income taxes' (Freire and Garzón, 2014).

<sup>&</sup>lt;sup>5</sup> Although this revenue would appear in the local authority budgets and the income and expenditure account of the annual financial statement as a tax, from a local public finance perspective, it is technically a transfer and not a local tax as the local authorities do not have any autonomy or power over the tax base or the tax rate. This classification of local authority revenues does not change the rationale or substance of this proposal.
<sup>6</sup> With the amount of rates to be levied equal to the difference between budgeted expenditure and budgeted income from non-rates revenues (i.e. grants, charges and LPT), and used as a balancing item in the revenue account of the local authorities, the ARV/commercial rates multiplier is calculated as the ratio of rates income to the rates base, with the latter called the Net Effective Valuation as reported in the local authorities' annual budgets.

<sup>&</sup>lt;sup>7</sup> A variant of the cut in commercial rates is a targeted reduction in rates for SMEs, by means of a lower ARV for businesses and ratepayers with rateable valuations below a certain threshold. This is the practice in England where a standard rate/multiplier applies in addition to a lower rate/multiplier for small businesses.

## OFFICE OF THE PLANNING REGULATOR CASE STUDY REPORTS

The Office of the Planning Regulator (OPR) recently published several case studies as part of its research programme. These are intended to support local authorities in their planning role by promoting shared learning and highlighting best practice.



#### Traveller Accommodation and the Local Authority Development Plan

This case study examined the linkages between local authority development plans and Traveller Accommodation Programmes (TAPs) in terms of Traveller-specific policies and objectives. Given that many development plans are currently being prepared, it is thought to be an opportune time to better consider

and facilitate the accommodation needs of Travellers in the planning process.

Examples of good practice identified by the OPR in current development plans include specific proposals around the provision of Traveller accommodation and the mapping of existing and future Traveller-specific accommodation. However, in terms of future development plans, the OPR would like to see better alignment with the TAPs; this may require a more integrated approach from Housing and Planning staff by working closer together in the preparation of development plans and TAPs.

To view the case study, see: https://www.opr.ie/wp content/uploads/ 2021/10/Traveller-Accommodation-and-the-Local-Authority-Devlopment-Plan-Case-Study.pdf



#### **Online Planning Services**

For another case study, the OPR carried out a survey of the accessibility of planning application material online. It notes the efforts of local authorities during the pandemic to make planning services available remotely to the public – in line with the Government's digital transformation agenda. Its key findings include:

- Local authority websites, generally

speaking, provide good online accessibility to planning application documentation

Significant variations in user-experience, however, were found with local authority websites. This is attributed to the different ICT planning administration systems and procedures used by local authorities.
It is thought that efficient labelling or categorising of planning application documentation will help to reduce search time and improve levels of customer engagement.

- There is a strong case for moving to a standardised planning

administration system to replace the three different systems used by the 31 local authorities.

- A review of planning fees relative to operational costs is timely. It could help provide the financial resources needed to fund the necessary improvements to online service provision for planning functions. The OPR note that planning fees have remained unchanged since 2001. In 2019, for example, planning fees amounted to less than 18% of operational costs.

As the report notes, the research provides a snapshot of the online planning services at a point in time, and some local authorities may have enhanced their procedures since.

To view the case study, see: https://www.opr.ie/move-towards-onlineplanning-applications-urgently-required/



#### Pre-Application Consultation Services

Pre-planning consultations were the subject of another case study. These consultations take place between prospective applicants and local authorities before an application is submitted.

According to the OPR, the approach taken by local authorities to pre-planning consultations can vary. The research drew out some

interesting findings which include:

- 74% of local authorities have an online pre-application form through which the public request a consultation

 90% regularly include officials from other sections of the local authority at consultations; however, external agencies are less frequently involved;

- 88% of local authorities are proposing to make further changes to their pre-application system in response to the pandemic
- 58% of local authorities think that fees should be introduced given the resource requirements to provide this service; against this, 26% do not consider fees appropriate

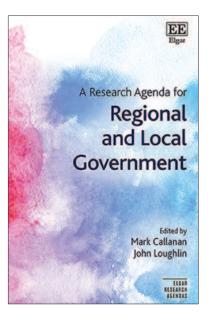
- There has been a notable increase in requests for pre-application consultations; according to a significant number of local authorities, this has put pressure on resources in terms of staff and time. Indeed, some local authorities reported an uplift in requests of 35–42% from the same period last year.

To view this case study, please see: https://opr.iw.ie/view-pp-file/NDQ=

#### NEWS

### A Research Agenda for Regional and Local Government

Interested in a short and accessible introduction to research insights into local government reform initiatives across different countries? Then the recently published book, *A Research Agenda for Regional and Local Government*, could be for you. Edited by Mark Callanan and John Loughlin, each chapter takes a reform theme and analyses the existing state of research knowledge on the topic, as well as proposing new avenues for future research. Drawn from authors from 12 different countries, the themes addressed include local government autonomy, local government restructuring and amalgamations, devolution, managerial reforms (including contracting and performance measurement), citizen engagement and participation in local government, the increased role of city-regions and metropolitan governance, links with the EU, and leadership at the subnational level. A comparative perspective runs through each chapter, with research and examples of innovations in these areas drawn from a range of different countries.



# Success for local authority projects at prestigious national architecture awards

Several local authority projects enjoyed success at the Royal Institute of the Architects of Ireland (RIAI) Awards for 2021. The annual awards recognise achievements in architecture and celebrate the quality of work completed by RIAI members and the contribution made by registered architects to Ireland's built environment.

#### **Public Space**

Dún Laoghaire-Rathdown County Council was the joint winner in the Public Space Category. Its Covid-19 placemaking projects in Blackrock, Glasthule, Dundrum,



Dalkey and along the new Coastal Mobility Cycle Route were recognised for their excellence. These projects – designed by the Council's architecture department – were seen as important for improving levels of liveability and mobility and were subsequently nominated for an international award.<sup>1</sup>



#### **Culture Public**

Kilkenny County Council's Butler Gallery – designed by McCullough Mulvin Architects – was highly commended. The new gallery, opened in August 2020, is situated in the historic Evans' Home in the centre of Kilkenny city and provides an important cultural space not only for Kilkenny, but for the wider region. The sensitive refurbishment of the nineteenth-century almshouse into a modern gallery and education centre has also seen the project shortlisted for international architectural awards.<sup>2</sup>

## €8m in funding for built heritage projects

The Built Heritage Investment Scheme and the Historic Structures Fund for 2022 were launched at the start of November. A total of  $\in$ 8 million is to be provided across the two schemes.

According to Minister of State for Heritage and Electoral Reform, Malcolm Noonan, TD:

'All around the country, communities are repurposing historic buildings to create liveable, low-carbon and resilient town centres. I'm delighted to be able to support this heritage-led regeneration by significantly increasing funding for both the Built Heritage Investment Scheme and the Historic Structures Fund. The increase underlines this Government's continued commitment to the protection and preservation of our built heritage, benefitting hundreds of historic structures'.

Both schemes are administered by local authority Architectural Conservation Officers, Heritage Officers and planning and administrative staff. The schemes will support local projects to repair and conserve Ireland's historic built environment.



Minister of State for Heritage and Electoral Reform, Malcolm Noonan, TD

#### Living

Cork City Council's architectural team were commended for their work on the Deanrock Housing Project. The development consists of 65 new social houses (built to an A energy rating) and a community centre. With the design, the architects sought to integrate the development into the existing neighbourhoods, with an eye to maintaining existing scale, street pattern and mature planting.<sup>3</sup>





<sup>1</sup>https://www.dlrcoco.ie/en/news/general-news-public-notices/dlr-wins-riai-award <sup>2</sup>http://mcculloughmulvin.com/projects/butler-gallery

<sup>3</sup> https://www.corkcity.ie/en/council-services/services/buildings-and-property/ architectural-projects/housingprojects-1.html

<sup>4</sup> https://noji.ie/tobar-place.html

The RIAI also commended Sligo County Council's Tobar Place in Tubbercurry – designed by NOJI Architects. This placemaking project is described as a 'stepped gathering space' in the centre of the town. It provides a place for people to meet and relax and acts as a counterbalance to the dominance of cars.<sup>4</sup>

Congratulations to all involved for their contributions to architectural quality in Ireland. We hope to see more successful local authority projects next year.

For more on the RIAI Awards for 2021, see: https://www.riai.ie/whats-on/news/riai-announce-winners-of-2021-riai-awards

# COMUNITY CAL Line of the Future webinar

Reflections on the experience and lessons learned

he Department of Rural and Community Development (DRCD) and the National and Economic Social Council (NESC) recently hosted a webinar to reflect on the lessons from the Community Call experience and implications for service delivery.

The Community Call initiative was launched in March 2020 not long after Covid-19 struck Ireland. Essentially, it was an innovative partnership between central and local government and the community and voluntary (C&V) sector to support the delivery of essential services to people over 70 and the medically vulnerable during the Covid-19 lockdowns.

The *Community Call: Learning for the Future* webinar featured a host of speakers from local and national government, the C&V sector and NESC.



#### **Minister's address**

Minister of State **Joe O'Brien, TD**, Minister for Charities and Community, opened the webinar, and thanked all those involved in the Community Call for their hard work. It was important for stakeholders to have an opportunity to discuss practical and specific ways to implement learnings from the Community Call in their daily work. He believed that the initiative had allowed local authorities become more connected to C&V groups. The Minister was keen for innovative approaches taken during by the Community Call to be built upon and replicated in other areas of work.



#### **NESC Community Call report**

#### Dr Anne-Marie McGauran

(Policy Analyst, NESC) presented on key findings from her in-depth study on the Community Call.

• Leadership and coordination: The local authorities were found to be important leaders for bringing people together; central

to this leadership role were the pre-existing relationships with other sectors. McGauran argued that consideration needs to be given to developing these relationships further to help manage future crises.

- Change in the relationship between the statutory and C&V sectors: Greater autonomy was given to C&V groups during the Community Call, for example, in terms of how funding was used to provide services to those in need.
- Collective problem-solving: Strong engagement and information-sharing by organisations during the crisis led to collective problem-solving and effective action on the ground. Again, the question was asked, how can we support such positive and constructive action for the future?
- Flexibility: Greater flexibility had been afforded to the sectors to enable them to respond efficiently and effectively to the needs of the vulnerable in a short period. People were given flexibility to make decisions and to experiment. The point was made that there should be space for a flexible approach and experimentation at all times.
- New referral pathways: New pathways emerged as many organisations were working together like An Post, the Garda Síochána, the HSE and C&V bodies. They identified new people and groups who required support. So how could this type of outreach and referral continue?
- New needs identified: Food poverty, digital exclusion and mental health issues were exacerbated by the health crisis, which begs the question, how can they be addressed for the future?



#### **Volunteer Ireland**

**Amy Woods** (Acting Chief Executive Officer, Volunteer Ireland) delivered a presentation on key learnings from a volunteering perspective. Some 17,000 people offered to volunteer in the first three months of the pandemic, an unprecedented number. The speaker offered her

reflections on this experience:

- The volunteering infrastructure was critical in order to respond to events quickly as thousands of volunteers were mobilised around the country. The investment and support provided by DRCD in recent years paid dividends by enabling the rollout of the Community Call programme.
- The supply of volunteers was far greater than the demand and so there weren't roles for everyone. The experience underlined a need to have clear communication plans in place to manage the expectations of people who want to volunteer and to keep people engaged and interested in volunteering in the future. Capitalising on this interest is important.
- Informal volunteering: The pandemic highlighted the trend towards informal volunteering. A rise in the number of people volunteering informally plays a crucial role in society; however, it brings its own risks in terms of safeguarding, insurance, and confidentiality. So there's a balance to be struck in terms of supporting informal volunteering efforts, and managing the associated risks.
- Volunteer management: The flood of new volunteers in the wake of the pandemic brought challenges in terms of managing and training all of them. There were also considerations around confidentiality, health and safety, vetting, insurance and keeping volunteers engaged.
- Collaboration: The sharing of best practice and knowledge between agencies and groups was unprecedented and showed what is possible when there is close working between sectors and organisations.



#### Local authority perspective

**Michael Walsh** (Chief Executive, Waterford City & County Council) was chair of the County and City Management Association at the outbreak of the pandemic and so he was heavily involved in coordinating local government's response. He offered the local authority perspective on the Community Call. At the start of the pandemic, a time of great uncertainty, and with a significant section of society asked to cocoon, the local authorities were called upon to work with C&V organisations to assist vulnerable people.

The Community Call was put together over a weekend and this proved to be a challenging task.

Whilst the speaker conceded that they didn't get everything right, in very difficult and unprecedented circumstances, with a worsening crisis, the local authorities still did well.

There was good national and local coordination; likewise, the flow of information enabled problems that arose to be addressed speedily. The Community Fora – created in each local authority to coordinate the local response – linked the volunteer groups to the state agencies and provided an effective means for two-way communications.

The volume of telephone calls to Community Call helplines exceeded all expectations. For Walsh, it highlighted real social isolation in the country, where some people didn't have anyone to reach out to for even basic assistance, like to shop on their behalf or collect medicine. Such extreme isolation within society is an issue that demands greater attention. The new working relationships forged through the Community Call initiative, according to the speaker, may be the 'great yield from the experience'. Indeed, he noted that some groups have continued to work together to tackle isolation.

Whilst there were some issues early on, for example, around Garda vetting and communications, overall the experience underlined to the speaker the importance of effective management in a crisis situation. You need clear leadership from someone in a positon of authority to make things happen quickly on the ground in response to the unexpected, something that local government ably provides.



#### Community and voluntary perspective

**Deirdre Garvey** (Chief Executive Officer, The Wheel) talked about the experience of the Community Call from the community organisation perspective. In terms of what worked well, she thought that there was good trust from the DRCD towards the innovative community approach, despite some initial doubts. The Community Champions, a key part of the Community Outreach initiative, helped to reach communities and individuals who otherwise would never have sought help. The Champions provided an additional layer of support, and in doing so they performed a 'sweeper function' at the local level by assisting hard-to-reach groups. The inter- and cross-sector connections that developed were praised. There was a great deal of cross-learning between the different statutory and C&V

bodies. Echoing comments by Michael Walsh, these close working relationships have continued to create new opportunities to tackle community issues. The rollout of a national support programme, in a very short period, highlighted the excellent project management skills among those involved and their collaborative abilities. However, the lack of time and the urgency of the situation proved to be challenging in terms of recruiting champions and the provision of training.

Several important insights were provided by the speaker:

- Building relationships takes time and trust: In future, funding programmes ought to take account of the time and trust that is needed to develop effective working relationships.
- Inter-sector coordination: This could be enhanced further between the local and national levels. For example, the Keep Well coordinating group could be continued.
- Need for a 'sweeper role' locally: It was argued that there is a gap locally, and trusted relationships with vulnerable and hard-to-reach groups need to be developed further, like what the network of Community Champions had achieved. This would support efforts to address big societal issues such as climate action.



#### The Department's view

Mary Hurley (Assistant Secretary, Department of Housing, Local Government and Heritage) in her contribution, referred to the responsiveness of the local government sector throughout the pandemic, demonstrated,

for example, by its provision of business grants and support in the vaccination programme. The local authorities' response was described as 'very strong' for standing up to the many challenges presented by the pandemic.

A key lesson for Hurley from the experience was the flexibility and adaptability of the LCDC structure whereby it helped in the creation of the Community Call programme at very short notice. Furthermore, it was argued that the excellent cooperation between the local authorities and the volunteers came to the fore during the crisis.

She referred to the crucial role played by the Oversight Group of the Community Call – a coordinating structure which continues to meet and whose membership includes the CCMA, the LGMA, the DRCD, the departments of Local Government, Health, and the Taoiseach. The Group worked collaboratively and effectively to review events and problems as they arose. Hurley praised the citizen-focused response from all those involved in the Community Call – the common concern for every sector and group was the citizen and their needs. For the future she argued that the structures put in place during the crisis need to be used and built upon.



#### The Public Participation Networks (PPNs)

**Helen Howes** (National Advisory Group, PPNs) offered some perspective from the PPNs. Understanding the roles and expertise of organisations, and playing up to each other's

strengths was critical. In her eyes, the Community Call built upon this pre-existing understanding and mutual respect.

The membership of the PPNs throughout the country is diverse, connected to over 7,500 groups. So in terms of their reach and relationships, the PPNs were ideally placed to support the Community Call initiative – for example, mapping local services, helping with phonelines and providing information on the ground.

However, in the midst of the unfolding health crisis, Howes mentioned that some elements of governance were perhaps overlooked – the situation compounded by a lack of clarity or misinterpretation of some legislation. Therefore, a key lesson should be to ensure that GDPR and vetting procedures are clearly understood and accessible for the future. The collaboration, informationsharing and mutual respect between the local authorities and C&V groups were praised and need to continue in a complementary manner.



#### Ireland's Local Development Companies

**Joe Saunders** (Chief Executive Officer, Irish Local Development Network) spoke on the collective response by Ireland's 49 local development companies (LDCs). He talked about the flexibility shown by Departments to the LDCs in terms of targets and KPIs for existing programmes; the pandemic had created a new and urgent environment for all those working in community development. This flexible approach was vital for allowing the LDCs to respond quickly through their established contacts within communities.

Saunders made the point that the crisis highlighted existing needs within society, such as food

poverty, and the digital divide – these were problems in Ireland before the pandemic, but became more acute because of it. Furthermore, he noted how the problems/needs of the vulnerable changed as the months of the pandemic passed, mental health, isolation and income concerns emerged – all areas that require ongoing attention.



#### Age Friendly Ireland

According to **Emer Coveney** (National Programme Manager, Age Friendly Ireland), there was a very good structure in place – embedded in the local authorities – to support older people during the pandemic. Some of the initiatives undertaken included virtual concerts, the distribution of care boxes, provision of digital training and technology, events in nursing homes – all designed to support their wellbeing.

In reference to a narrative about all older people being vulnerable, she made the point that many older people actively volunteered themselves. In terms of lessons, a focus for the Age Friendly

Ireland programme is to sustain some of the projects undertaken during the lockdowns; the speaker also referred to a greater scope during the pandemic to work across counties and in partnership with other organisations.

#### Looking to the future

The pandemic and associated lockdowns have taken a huge human toll across society and have exacerbated social and economic problems. However, it was clear from the contributions by the speakers and attendees at the webinar that much has been learnt from the Community Call experience, and indeed much has been gained. The new collaborations and initiatives that have sprung up during the pandemic provide much to be hopeful about. There is a determination by all involved to build on the successes from the Community Call partnership and learn how to respond better to the needs of the vulnerable in future crises.

### The full programme from the event and NESC's report on the Community Call can be found at the below links:

#### https://www.nesc.ie/app/uploads/2021/10/Community-Call-Webinar-Programme.pdf

https://www.nesc.ie/publications/community-call-learningfor-the-future/

NEWS

## Public consultation phase on the next *River Basin Management Plan*

September saw the opening of a six-month public consultation on the draft *River Basin Management Plan for Ireland 2022–2027.* This draft plan is underpinned by a new level of ambition and outlines over 100 measures to address impacts on water quality. The areas covered by the Plan include: nutrient pollution from agricultural land; the performance of urban waste water infrastructure and a programme of restoring free-flowing waters to improve biodiversity in rivers.

According to EPA data, 53% of surface waters (rivers, lakes, estuarine waters) are in 'good' or 'high' ecological status, while 47% are in 'unsatisfactory' ecological status; 92% of ground-water bodies are in good chemical and quantitative status.

Assessments of water quality for 2019 and 2020 indicate an overall improvement in the quality of 345 rivers; however, against this, 230 rivers showed a decline. Agriculture, hydromorphology (physical changes to habitat conditions and water flows), forestry and urban waste water are the main pressures on water quality. The Plan sets out over 100 proposed measures to protect and improve Ireland's waters, including:

- Significant investment in waste water infrastructure, with Irish Water expected to invest approximately €1.022 billion in 83 waste-water treatment plants and 10 collection networks over the period 2020–2024
- Measures to address agricultural impacts on water quality including proposals for a stronger and more effective Nitrates Action Programme including tighter controls on nitrogen inputs, the establishment of a chemical fertiliser register and improved enforcement and compliance of Nitrates Regulations
- A new comprehensive control regime for the protection of waters during development and during works near or in rivers
- A new river restoration programme to restore free-flows and



mitigate the negative impact of past construction in or near water bodies

 It is proposed that the number of priority areas of action will increase from 190 to 527.

The public consultation ends on 31 March 2022.

The Draft River Basin Management Plan can be found at: www.gov.ie/draftRBMP Climate change and its projected impacts, if not addressed, will cause significant issues for civilisation. Governments across the globe are finally waking up to these issues and are beginning to put in place the policies that will be needed if the future of humanity is to be secured.



### WHAT IT MEANS FOR LOCAL GOVERNMENT



by Joe Boland, Alan Dunney, Breda Maher and Paul Regan [Eastern and Midlands Climate Action Regional Office]





The transition to a carbon neutral environment brings with it, especially for countries like Ireland which are rich in renewable resources, considerable economic potential.

he Government in Ireland, until recently seen as a laggard in addressing the impact of climate change, has moved to re-configure policy and underpin actions on climate. This is beginning to shift the country from being behind the curve to becoming one of a number of countries where climate policy is now clearly being embedded into public management and procedures. Ireland, as a consequence, is increasingly seen as a model for other countries.

Such change is often regarded with some trepidation given the all-encompassing impacts of transitioning towards a carbon neutral society. The impacts on key economic sectors like transport, agriculture and tourism, among others, are often regarded within a negative context, with the potential loss of employment and reduced incomes, often in areas that are struggling with economic development and therefore with limited resources to transition towards carbon neutrality.

The opposite is, however, the case. The transition to a carbon neutral environment brings with it, especially for countries like Ireland which are rich in renewable resources, considerable economic potential. This article aims to show where there will be economic opportunities for current and new enterprises and how local government will play a key role in that regard.

#### European Union Policy: Leading change across the world

The EU has been taking significant steps in recent decades to limit the impact that climate change will have in the future. For example, EU-supported structural changes are being made within the European economy as well as through the introduction of policies that support energy efficiency improvements and the use of renewable energy. To date, such efforts have helped to decouple economic growth from energy consumption and greenhouse gas emissions. Between 1990 and 2017, the EU's combined GDP increased by 58% while total emissions within that timeframe reduced by 22% (European Commission 2018: b).

In more recent times (December 2019), the EU introduced the European Green Deal. All twenty-seven Member States, including Ireland, have committed to transforming the Union into the first climate neutral continent by 2050, aiming to first reduce greenhouse gas emissions by 55% by 2030 (European Commission, 2021: a). The introduction of the new European Climate Law, in July 2021, converts the goals of the Green Deal into obligations for all Member States to meet these targets collectively (European Commission, 2021: b). The EU's industrial strategy *'Fit for 55': Delivering the EU's 2030 Climate Target on the way to Climate Neutrality* effectively summarises how

opportunities will be created as part of the transition to a carbon neutral continent stating:

'This is a collective responsibility and opportunity that must be open to all, whether innovators and investors, companies and cities, or consumers, households and individuals. We all share in the benefits of more space for nature, cleaner air, cooler and greener towns and cities, healthier citizens, lower energy use and bills, as well as new jobs, technologies and industrial opportunities. The challenge at the heart of the EU's green transition is how we can bring these benefits to all as quickly and as fairly as possible, while strengthening our competitiveness, creating the jobs of tomorrow and effectively addressing the costs and impacts of the transition' (European Commission, 2021: b).

As highlighted by the European Commission, *'Reaching this objective requires deep societal and economic transformations within a generation touching every sector of the economy. Applying the principles of a competitive, inclusive, socially fair and multilateral European approach, a number of overriding priorities, fully consistent with the Sustainable Development Goals, should be guiding for the transition to a climate neutral Europe'* (European Commission, 2018: a). Actions to enable the delivery of this vision include:

 Boosting industrial competitiveness through research & development towards a circular and digital economy

- Promoting a sustainable bioeconomy while adapting to climate change, as well as restoring and preserving ecosystems
- Accelerating research, innovation and entrepreneurship, in the near-term, for zero-carbon solutions in multiple areas
- Human capital investments to equip, both current and future generations, with the necessary skillsets for the jobs needed for a carbon neutral economy

#### **Businesses and Sustainability**

The introduction of climate action policies and legislation to support the capturing of economic opportunities is, however, only one part the puzzle. Enterprises are needed to take advantage of these supports and provide new innovative carbon neutral products and services for consumers. They also need to be incentivised to take the necessary actions to reduce their own carbon footprint. Fortunately, enterprises are realising that there are economic advantages to implementing more sustainable business models. According to Hoffman (2018), over 90% of CEOs believe that sustainability is important to the success of their company, with many developing sustainability strategies, marketing sustainable services and products, as well as providing sustainability reports for their investors, consumers and the general public. Organisations are realising increased profits and business opportunities through becoming more sustainable and achieving competitive advantage over and outperforming their competitors (Bonini and Swartz, 2014). Established

#### City and County Management in Ireland, 1929–2020

EDITORS Richard Boyle Fergal O'Leary



To order your copy contact: Publications Division, Institute of Public Administration, 57-61 Lansdowne Road, Dublin 4 Tel: (01) 2403600 Email: sales@ipa.ie Online: www.ipa.ie Local authorities play a major role in Irish life. The introduction of the management system in 1929 represented a new and innovative approach to how local authorities were run.

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A chronology highlights developments in local government over the period examined, while a bibliography provides an overview of selected literature available on local government in Ireland.

This work will be of particular interest to those who wish to understand how the management system in local government in Ireland has evolved, and to researchers and students with an interest in local government.

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companies can go the route of identifying which of the 17 Sustainable Development Goals (SDGs) align with the core business models, services and products that they provide. Start-ups or businesses starting to scale-up their operations are able to adapt or build their business models around a sustainability cause.

While this prospective change in business is promising, more will be required to achieve a carbon neutral economy. Hoffman (2018) argues that in its present form sustainable business is reaching the limits of what it can achieve. It is merely slowing the speed of how soon we reach crisis point in light of climate change. What is needed is for business to transform markets to enable new forms of business sustainability. According to Escaler (2020), the world has come to realise that no organisation can achieve significant sustainability results on its own. It requires cooperation and partnerships across industries and sectors, from government agencies, to investors, private companies and and non-profit organisations. Escaler (2020) names five tactics that enterprises can model to differentiate themselves from their competitors to achieve this, including:

- 1. Align SDGs with their business model
- 2. Consider implementation in terms of how they can make these actionable within their business
- 3. Explore partnerships with organisations sharing the same cause to achieve a greater impact
- 4. Measure and monitor to ensure effective progress is being made
- Build Communities for Scalability to expand their overall impact

#### Ireland - Leading the Way?

In line with EU climate action efforts, Ireland is ramping up its actions towards achieving carbon neutrality by 2050. The Climate Action and Low Carbon Development (Amendment) Act 2021 was signed into law by the President of Ireland on 23 July 2021. It sets out a series of higher-level climate action targets and ambition over the next decades, requiring the country to reduce its greenhouse gas emissions by 51% by the end of 2030 and to achieve net-zero emissions by 2050.

The Climate Action Plan 2021 (CAP21), published in November, provides a road map for Ireland to reach its legally binding climate targets. It asserts that the delivery of CAP21 could benefit Irish businesses in the context of global commitments to reach net-zero. However, it warns of the dangers for Irish businesses in failing to keep up with changing consumer demands and changing markets.

The level of investment to be made available to incentivise

innovation in green technologies, along with the introduction of more sustainable business models and operations, will have a significant bearing on Ireland's ability to achieve these targets. In Ireland, economic opportunities from climate change will be similar to those identified in the wider EU. Indeed, it is reasonable to expect that, as Ireland works on achieving its National Climate Objective by 2050, there may be unique opportunities available to Irish enterprises and entrepreneurs. To that end, the Eastern & Midlands Climate Action Regional Office (EM CARO) explored this area on behalf of Irish local government to inform strategic thinking across the sector. Following a proposal to the County and City Management Association (CCMA), both a multi-agency Climate Action Economic Opportunities Steering group, as well as a Working group, were set up in 2020 to help identify the range of economic opportunities available for Ireland. Indeed, the CCMA and the EM CARO have successfully brought a range of entities and public bodies together to collaborate on this work, including the Environmental Protection Agency, IBEC, Chambers Ireland, the Department of Environment, Climate and Communications, the Regional Assemblies, the Department of Enterprise, Trade and Employment, and others. This represents a really good example of the local government sector demonstrating its key leadership role.

Nationally, significant research supported by the Maynooth University School of Business, initially assessing the range of legislation and policies guiding the European and national transitions, was undertaken. This research identified six main areas for economic opportunities nationally, as well as nine key opportunities at local authority level. The research also identified how local government can help support enterprises to realise these opportunities (CCMA, 2021), and this has given a real impetus to the review of local authority economic strategies as well as regional enterprise plans.

The Climate Action Economic Opportunities: Local Authorities Supporting Enterprise Policy Analysis Report acknowledges that 'Local authorities. as leaders of local development across social, environmental, economic, enterprise, community and cultural functional responsibilities, are ideally placed to facilitate effective collaboration and deliver the necessary multi-agency responses required to drive success, while underpinning the local government-business relationship as well as developing engagement with local communities' (CCMA, 2021: p8). It also recognises that the actions required to transition to a climate neutral economy will change how the Irish economy and society operates in the future. In this context, the Policy Analysis Report aimed to identify where opportunities within this transition may arise, as well as identifying the various funding channels available to support such opportunities. Six key opportunities identified from the research include (CCMA, 2021):

- 1. Developing a domestic recycling industry including opportunities to reduce waste across all sectors, increasing material reusage rates and increasing the level of recycling facilities and services at local and regional levels.
- Research, innovation, and technology including accessing significant EU and national funding supports to identify and develop new processes, models, technologies, products and/or services to facilitate the transition to a climate resilient, biodiversity rich, environmentally sustainable, and climate neutral economy by 2050.
- **3. Renovation and retrofitting** including both public and private buildings. The 2020 Programme for Government targets 500,000 homes to be retrofitted by 2030, by providing significant opportunities for local enterprises connected with the construction and energy efficiency industries.
- 4. Developing an improved transportation system including providing sustainable travel options and measures, as well as the construction of necessary infrastructure to facilitate the ease of transition to more sustainable options, such as greenways, blueways and safe urban cycling routes.
- 5. National Broadband Plan including the delivery of high-speed broadband services to more than 1.1 million people, including the development of local working hub facilities around the country which will also be needed to bring opportunities for local businesses to provide goods and services to workers in these locations, with the added potential to revitalise local town centres.
- 6. Re-skilling and re-training There will be opportunities for enterprises to avail of EU and national funding to reskill their employees, to meet the demand of these new industries and businesses, as well as opportunities for businesses to meet the need for training services and facilities.

An analysis of Local Authority Climate Action Plans, Climate Change Adaptation Strategies and the Local Authority Climate Action Charter, identified nine key ways that local authorities can help enterprise in terms of economic development and realising economic opportunities through the implementation of climate adaptation and climate mitigation goals, including (CCMA, 2021):

- Supporting the development of green innovations and technologies – through mainstreaming climate action policy into all operational plans and decision making, local authorities will drive local innovation and new businesses. They can also help by promoting and supporting new green technologies such as anaerobic digestion and district heating projects.
- 2. Constructing, surveying, renovating and retrofitting local authority-owned buildings - through transitioning to near-zero energy in new local government buildings, supporting public lighting retrofits, requiring, where appropriate, green technologies for all new buildings, and retrofitting all local government social housing stock.
- Conducting surveying projects of local authority assets and infrastructure – leading to identification of where improvement works are required and how local enterprises can be supported to deliver on these works.
- 4. Maintaining and repairing local authority assets -
- being resilient to the current and projected impacts of climate change will provide opportunities for businesses to undertake these works.
- 5. Landscaping contract opportunities with local authorities – including through the introduction of new biodiversity improvement and lower emission measures in local government operational plans. New opportunities will be available to enterprises providing these services or operating to these standards.



- 6. Installation and maintenance of photovoltaic solar panels – through local government projects focusing on improving the energy efficiency of their own buildings and social housing stock and/or increasing their use of renewable energy. Again, opportunities will arise for energy efficiency service providers as well as for solar panel manufacturers.
- Replacing gas boilers with heat pumps as part of the retrofitting of local authority buildings and social housing stock to a minimum B2 BER standard, opportunities will arise for suppliers.
- Developing local transportation systems will provide opportunities for new or existing enterprises to provide multimodal service solutions as well as other services for active travel.

 Development and management of remote and co-working hubs/facilities and community broadband access points - will help support local enterprises and new local businesses to start-up.

The research findings outlined above demonstrate the wide range of opportunities for the Irish economy. They also highlight the critical role that the local government system in Ireland will play in helping to capture these economic opportunities. Local government in Ireland is fully committed to supporting enterprise and exploiting new economic opportunities.

Additional research work was commissioned through the Local Government information Unit (LGiU) to benchmark the work of Irish local authorities in the international context.

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ORDER YOUR COPY NOW: Sales Office, Institute of Public Administration Lansdowne Road, Dublin 4. Tel: (01) 240 3600 Email: sales@ipa.ie Online: www.ipa.ie Similar to Ireland's move from 'laggard' to a leader, local government climate action structures, at national, regional and local levels, are now being looked upon as an example of best practice.

This was further reinforced in the recent Climate Action and Economic Opportunities conference that was hosted by the CCMA Economic Opportunities Steering Group, with support from the EM CARO and the Local Government Management Association (LGMA), on the 12 and 13 October last.

This conference, which was attended by over 400 people, including senior local authority staff, elected members and staff from government departments, reinforced the role of local government in supporting new business ideas arising from positive climate action across a range of areas including:

- Anaerobic digestion
- Rural working hubs
- Advanced manufacturing
- Digitisation of services
- Green energy
- Renewable heat sources
- · Circular economy, and
- Offshore energy.

The conference also discussed in detail the financial supports available to local authorities to exploit these opportunities, and attendees were presented with current national climate priorities by the Tánaiste Leo Varadkar, the Minister for Environment, Climate and Communications Eamon Ryan and the Chair of the Climate Change Advisory Council, Marie Donnelly.

#### Conclusion

In summary, the Irish local government sector, through its County and City Management Association, has been to the fore in shaping and distilling a really key and emerging policy area: that of the economic opportunities arising from climate action. It is clear that significant employment benefits can be gleaned at local and regional levels. In turn, this will require ongoing local innovation, strategic collaboration, and funding streams, as well as a business-like approach. It is also envisaged that its Climate Action Regional Offices and Local Enterprise Offices will continue to be to the fore in giving practical expression to this emerging impetus.

In addition, the material contained within the research findings has already helped to inform the review and development of local authority County Economic Development Strategies, Local Economic and Community Plans, Regional Enterprise Plans, as well as the work programmes of economic development units and Local Enterprise Offices.

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# PLANNING FOR THE FUTURE:

## key government plans published

By Fergal O'Leary

Although the Covid pandemic continues to present a serious challenge, other pressing policy areas also need to be addressed by the Government. Since September, three lengthy Government plans have been published. All deal with related areas – housing, national development and climate change – and all set out a clear and prominent role for Ireland's local authorities. This article broadly looks over these plans from a local government perspective.



### Housing for All ...

The government's plan *Housing for All* was published in early September and has received much attention and scrutiny since. Its measures seek to create a sustainable housing system to benefit everyone. The core policy objective is somewhat similar to previous housing plans: *'everybody should have access to sustainable, good quality housing to purchase or rent at an affordable price, built to a high standard, and located close to essential services, offering a high quality of life'.* However, a crucial difference is that it refers to housing near essential services, which is very welcome. Building houses in the right place is vital from a sustainability perspective and, of course, everyone aspires to a better quality of life.

As the Plan's title suggests, key actions – over four pathways – are outlined to help meet the housing needs of everyone: first-time buyers, renters, low-income households, the homeless, those seeking to trade-up and rightsize, and those living in urban and rural communities.

On the delivery front, the Plan commits to big targets: over 300,000 new homes by 2030 – including 90,000 social homes, 36,000 affordable houses and 18,000 cost rental units. It aims to return the State to a central role in the direct delivery of housing. The local authorities will be empowered to build on scale in partnership with approved housing bodies. A new Housing Delivery Action Plan – to be prepared by each council by the end of 2021 – will provide a clear roadmap for delivery.

The *Social Housing Strategy* (2014) outlined reforms for social housing, but *Rebuilding Ireland* (2016) subsequently dropped the reform pillar. However, with *Housing for All*, reform is back on the agenda. The promised actions include: a reformed tenant purchase scheme, revised income eligibility requirements for social housing, and a reformed differential rental scheme.

Tenant purchase has long been a contentious policy – essentially, it sells state assets at a big discount whilst reducing the number of council houses available to let. Of course, others argue that it supports social mobility and the development of sustainable communities. But a reformed purchase scheme will see more strings attached to the sale of units.

Successful housing applicants will be given greater choice as efforts will be made to encourage all local authorities to adopt choice-based letting. A national differential rental scheme was abolished in 1986; however, a national scheme will be reintroduced in an effort to standardise the rents paid by tenants across the country. A Commission for Housing will also look at the possibility of independent regulation for social housing.

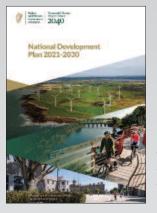
Other actions outlined include: a compulsory purchase order scheme, a major retrofitting programme of council housing, the return of major planning decisions to local authorities, a review of the judicial review process, new rural housing guidelines, expanding housing options for older people, ending homelessness and improving Traveller-specific accommodation.

Capacity and resourcing within local authorities will need to be addressed. Greater demands are being placed on local government all the time by different departments, and today the sector is operating with about 5,000 fewer staff than it had in 2008.

The ambitious *Housing for All* plan – with 213 actions – underlines the priority policy area for the Government, as the country hopefully begins to leave the worse effects of the pandemic behind.

In response to the new Plan, the Housing Agency, which works closely with the local government sector, welcomed the Government's commitment to deliver at least 33,000 homes per annum – social and affordable, cost rental, private purchase and rental. According to its CEO, *'We are pleased to see that sustainability underpins the Housing for All Plan, highlighting the need for highly connected, good quality homes in sustainable communities in our cities, towns and villages.'* 

Furthermore, the initiatives in the Plan to tackle dereliction and vacant properties around the country, and the commitments to rejuvenate towns and cities, and better utilise and protect our built heritage, are all very positive, not least from a sustainable development perspective.



## National development ...

Following promises last year to review the *National Development Plan* (NDP), October saw the publication of a revised version, the *NDP 2021–2030*. The new NDP outlines the Government's investment

strategy and budget up to 2030, which aims to support the objectives of the National Planning Framework around spatial planning. The most ambitious, greenest and expensive NDP in the State's history is projected to cost a hefty  $\leq$ 165 billion – the previous NDP, launched in 2018, came with a price tag of  $\in$ 116 billion. The climate crisis, the implications of Brexit and the Covid-19 pandemic, and a rising population, frame the broader context for Ireland's latest investment strategy.

The *NDP 2021-30* sets out a series of National Strategic Outcomes that include: compact growth, enhanced regional accessibility, strengthened rural economies and communities, sustainable mobility, a strong economy and high-quality international connectivity. As you would expect, messaging in the *NDP* is aligned to the *National Planning Framework* and *Housing for All* – all stress the point that the future pattern of housing development needs to lead to more compact higherdensity towns and cities. Proposed projects under the *NDP* will need to have a climate and environmental assessment carried out first.

From a local government perspective, the NDP will have a significant impact on the sector. For example, according to the *NDP*.

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- There will be a steady rise in the capital allocation for the Department of Housing, Local Government and Heritage (DHLGH) over 2021–25 (from €2,766 m in 2021 to €4,016m in 2025)
- Local authorities will move from a shallow to a deep retrofitting programme, with 36,500 council houses expected to be retrofitted by 2030
- There is a commitment to increase staffing levels in housing and planning services to help meet housing delivery targets, and tackle the problem areas of vacancy and dereliction
- There is an extension of the Urban Regeneration and Development Fund until 2030
- Nearly €6 billion investment will be undertaken by Irish Water from 2021 to 2025

In total, the *NDP* promises to allocate  $\in$ 17.6 billion to the DHLGH in 2021–25. Whilst this is a very significant figure, the country has big challenges and infrastructural deficits to address. And local government plays a major developmental role – often in collaboration with others – across society, as reflected by its broad work programme. Housing is obviously a top priority for the Government, and the bulk of this funding ( $\in$ 12 billion) will go towards the delivery of social and affordable housing.

Whilst much work is underway in terms of public realm projects, rejuvenating Irish towns and cities is a major undertaking and will remain a focus for local authorities. Rising public expectations mean that people increasingly want to live in attractive and vibrant places served by quality local services and amenities.

The *NDP* promises expensive but necessary investments in key infrastructure to help Ireland meet its social, economic and environmental ambitions, and indeed its legal obligations.

Understandably, questions around delivery and capacity hang over such plans. Large-scale projects inevitably take time and need to go through due process, and of course unexpected events – like a pandemic – can lead to slow progress and put pressure on public finances.

The final chapter in the Plan is devoted to improving the delivery of projects – efficiency and value for money being central to sustainable investment. It outlines enhanced governance arrangements for public investment projects and explains how the capacity of those agencies, public bodies and departments tasked with delivery, is to be developed. It also mentions planning and legal reforms to support the efficient delivery of projects.

In the context of a new *NDP*, matters like capacity and governance might not feature prominently in media commentaries in comparison to proposed flagship projects; nevertheless, they are vital elements in the delivery of the infrastructure needed to achieve a sustainable and futureproofed economy.



### A greener Ireland ...

In the same week as the COP climate summit in Glasgow, the Government published its Climate Action Plan 2021. It replaces the Climate Action Plan 2019 and the National Mitigation Plan, the latter

quashed by the Supreme Court in 2020. The new action plan will be updated annually. Its overarching objectives couldn't be clearer: halve Ireland's greenhouse gas (GHG) emissions by

25

2030 and reach net zero by 2050. Undoubtedly a massive challenge for Ireland, and indeed the world.

According to the new action plan, the public sector will lead by example in efforts to reduce GHG emissions by 2030. Changes in the procurement process and making public buildings energy efficient will help towards reducing the sector's carbon footprint. Although the Plan concedes that the public sector generates a relatively small amount of emissions (3.3% of Ireland's GHGs in 2018), it nonetheless needs to show leadership to other sectors.

Much will be expected of local authorities in terms of leading Ireland's climate action response. They are described as having 'a pivotal decarbonisation role' through spatial planning, the provision of public housing and transport infrastructure, and maintenance of biodiversity. Some specific measures relating to local government include:

- Each local authority will prepare an action plan every five years outlining mitigation and adaptation measures
- Each local authority will develop a decarbonisation zone within its administrative area that will be a focus for mitigation, adaptation and biodiversity measures
- Local authorities will play a key role in developing partnerships with local communities and community development organisations to progress community activation and climate action
- The local authority retrofit programme will be expanded so that 36,500 local authority homes will be retrofitted
- The capacity of local authorities to deliver their retrofit programme will be enhanced through project management support from the Department and the Housing Delivery Coordination Office in the LGMA

The *Climate Plan 2021* is predominantly about the implementation of mitigation measures to bring down GHG emissions and

de-carbonise the economy, but it also contains a chapter on climate adaptation to make Ireland more resilient to climate change.

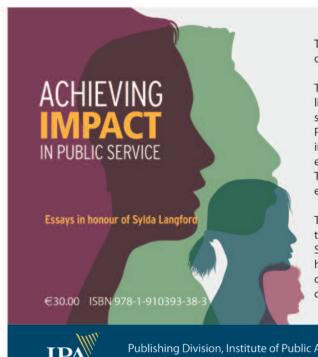
Ireland's policy response to the climate crisis has gathered momentum in recent years. Much work has already been undertaken by local authorities in terms of putting the plans and structures in place, and building sectoral capacity, to lead climate action on the ground. But more can always be achieved with more resourcing. As the CCMA strategy, *Delivering Effective Climate Action* (2021), stated, *'the sector has unique capabilities to address complex challenges when political will and resources are in place'.* 

#### Conclusion

All three plans are strongly aligned in terms of strategic objectives; each plan references the other two. Sustainability is a theme that runs through each – the policy outcomes are intended to be sustainable from an environmental, financial and social perspective.

Collectively, these national plans will have a significant impact on the future of Irish society. Much building and development across the country will flow from them in the coming years. From new cycleways, to new housing schemes to retrofitting projects, the local authorities will be a driving force behind much of the change.

Of course, the challenges of delivery place a question mark over whether these national plans can fully realise their ambitions. Whether projects and targets can be delivered efficiently and within budget – to meet public and political expectations – may depend on what happens at the national level: on reforms, on robust governance and on efforts to enhance capacity.



This volume is published as a tribute to the remarkable career of Sylda Langford.

The book is structured around the key themes of Sylda's working life – her contribution to developing evidence-based policies and services to improve the lives of children and address social exclusion. Part One takes up Sylda's focus on children's needs and the importance of underpinning policy with facts and marshalling evidence. Part Two deals with putting policy into practice. Part Three deals with the wider issues of policy delivery and engagement between state and citizen.

The authors invited to contribute to this book were selected on the basis of their experience and expertise in areas in which Sylda has made a contribution. They were not asked to assess her contribution or speculate on her views, but rather to write on important topics in a way that would contribute to contemporary discourse and future policy.

Publishing Division, Institute of Public Administration Tel: (01) 240 3600. Email: sales@ipa.ie www.ipa.ie



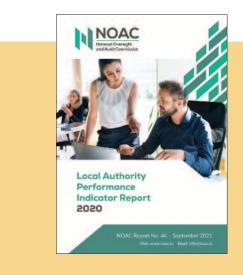
# PEAK PERFORMANCE

t the end of September, the National Oversight and Audit Commission (NOAC) published its 2020 performance report on the local government sector. It provides an objective assessment of how Ireland's local authorities performed in 11 key areas by using 42 indicators to measure performance.

The areas cover: Housing, Roads, Water, Waste/Environment, Planning, Fire Services, Library/Recreational, Youth/Community, Corporate, Finance and Economic Development. The LGMA summary in the Appendix provides very useful context to each of these assessment areas.

The pandemic renders a comparison with previous years difficult. And the impacts of the Covid pandemic can be clearly seen in the performance assessments for 2020 as local authority work programmes and practices were severely disrupted during the year. Some of the key findings are:

- Increase in the average re-letting time and cost for council housing. In terms of time, it was 28.17 weeks in 2019, but increased to 32.96 in 2020, and the average cost rose from €18,336 per unit in 2019 to €19,065 in 2020.
- A significant decrease was recorded in the average number of library visits per head of population, from 3.57 in 2019 to 1.05 in 2020.
- Decrease in the number of adults in emergency accommodation and the number of adults in emergency accommodation who are long-term homeless.
- The total number of followers on social media accounts was 3.87 million at the end of 2020, compared to 3.1 million in 2019. The figure back in 2017 was 1.7 million.
- There were 141,128 housing units owned by local authorities at the end of 2020, an increase on the number for the end of 2019 which was 138,905.



NOAC's annual report is vital for local authorities from a performance assessment perspective, but it is also a great source of information on the real challenges, developments and progress within local government...

- A considerable rise was seen in the percentage of motor tax transactions completed online – 81.52% in 2020, compared to 70.21% in 2019 and 56.50% back in 2015.
- There was a decline in the number of jobs created in 2020 by the Local Enterprise Offices, as national and international economic activity declined owing to national lockdowns.
- The finances of local authorities were severely affected by the pandemic as their costs increased in order to provide essential services, whilst revenues plunged.

NOAC is acutely aware of the impact of the pandemic on local authority performance across the eleven areas. The report notes how local authorities responded to an unprecedented health crisis by maintaining service delivery in a challenging working and financial environment. Some €633.2 million in Business Restart Grants was administered by local authorities, and they received over 57,000 phone calls from people in need through the Community Call helpline.

The report highlights some issues raised at meetings between NOAC and Chief Executives which offer good insights into challenges facing particular local authorities in the delivery of public services and in meeting national targets. For example, from a rates income perspective, Clare County Council is highly dependent on a handful of large commercial rates payers that have now been lost. In the context of a significant housebuilding programme. Cork City Council requested additional staff from the Department of Housing, Local Government and Heritage to help it meet targets. In NOAC's meeting with Carlow County Council, financial and staffing challenges were highlighted. In Tipperary County Council, concerns were expressed around finance, climate change, housing, Covid-19 and the supply of local commercial/industrial units. In its meeting with Waterford City and County Council, the challenge of working safely through the pandemic was brought up. The lockdowns also delayed house-building and refurbishment projects; the pressure on LEO staff to deliver grants and support local businesses was also raised.

To summarise, common concerns raised by local authorities included:

- Uncertain financial situation, in particular following the pandemic restrictions
- Delivering services amid the ongoing Covid-19 pandemic
- Reduced staffing levels, difficulties recruiting and retaining staff
- Next steps after the rates waiver ends
- Reduced service charge returns
- Increased rent arrears.

In response to the report's publication, Tim Lucey, Chair of the County and City Management Association, and Chief Executive of Cork County Council, praised the hard work of local authority employees throughout the pandemic. Despite all the uncertainty and disruption of the past 18 months or so, local authorities still delivered essential services and effectively supported local communities and businesses.

Acccording to the Chair, 'We are continually seeking to improve services and increase efficiency and did manage to make progress in a range of areas last year. Now that we are in a more certain situation with regard to Covid, we will build on our progress, continue to innovate and deliver quality public services.'

NOAC's annual report is vital for local authorities from a performance assessment perspective, but it is also a great source of information on the real challenges, developments and progress within local government, all very useful for researchers and students of the sector.

## To view the *Local Authority Performance Indicator Report* 2020, see:

https://noac.ie/wp-content/uploads/2021/09/NOAC-Local-Authority-Performance-Indicator-Report-2020.pdf

## **COVID UK** Dealing with the Social Impact of Covid-19

### in Britain and Northern Ireland

Covidandsociety.com is the website of an initiative funded by the UK Economic and Social Research Council (ESRC) – the International Public Policy Observatory – designed to help policymakers access international evidence to assist their responses to the social impacts of Covid-19.

The pandemic has created unprecedented challenges for policymakers and other decision-makers. The range of evidence and information grows continuously – but if it's not easily accessible and relevant, it is not helpful. Indeed, it can even create obstacles to developing the effective measures that are needed to help society through the severe and widespread impacts of Covid-19.

The International Public Policy Observatory (IPPO) aims to collate and review all available research on a range of social policy issues and to make it available to policy-makers in an accessible format. The overall objective is to contribute to better policymaking and thereby to the wellbeing of UK citizens.

As well as providing a number of outputs, including a 'living map' of international research on the social impacts of Covid-19, an important feature of the initiative is that researchers discuss policy challenges with public servants through a series of online roundtable events. The proceedings of these roundtable events are subsequently published. Also helpful to policymakers is that research findings are completed in a timely manner. Some examples of recently published research include studies on the impact of Covid-19 on people with disabilities, on maternal mental health and on those living in social care settings.

The project lead in Northern Ireland is Professor Muiris MacCarthaigh, Professor of Politics and Public Policy at Queens University Belfast and a former researcher at the IPA. According to Muiris, *'The Observatory provides a single portal for global evidence on how many of the challenges brought about by Covid-19 might be addressed, and should provide easily digestible food for thought for Irish public servants who face similar challenges to their counterparts elsewhere.'* 

## GET INVOLVED.

We are always interested in your views, so if you have any comments, suggestions or ideas for topics that we should address in future issues, please do not hesitate to let us know.

Local Authority Times is also published on the IPA website: www.ipa.ie

Fergal O'Leary, (acting) Editor Local Authority Times Institute of Public Administration 57-61 Lansdowne Road, Dublin 4 Tel: (01) 240 3600 Email: latimes@ipa.ie