



**South-East Regional Authority**  
**Údarás Réigiúnach an Oir-Dheiscirt**

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Submission<sup>1</sup> to

Department of Finance and Department of the  
Environment, Heritage & Local Government  
on

Report of the Special Group on Public Service Numbers  
and Expenditure Programmes  
("McCarthy Report")

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<sup>1</sup> Considered and Approved by the South-East Regional Authority at their meeting held on 28<sup>th</sup> September 2009.

## **Introduction**

It was recommended in the *“McCarthy Report”* that Regional Authorities should be abolished. This is a submission by the South-East Regional Authority (SERA) in response to that recommendation.

The extraordinary performance of the Irish economy up to 2008 and the dramatic downturn in the economy since then has resulted in increasing congestion and pressures on infrastructure and services and in strains emerging in our systems of government, public administration, planning and policy-making. The Regional Authorities are deeply concerned at the proliferation, duplication and lack of coherence and co-ordination that currently exists in the government system. The role that local and regional government will play in the Ireland of the future will be critical and it is incumbent on Government to appropriately define and articulate the local government’s strategic direction, goals and powers of sub-national government that will alleviate these pressures and strains.

Our system of local government is still largely a product of the 19<sup>th</sup> century strongly based on the Westminster model of Government. Little real reform has occurred over the years, certainly not in the devolution of powers and functions to sub-national levels. There is widespread agreement that radical reform is necessary and overdue and that the modern Ireland of the 21<sup>st</sup> century requires a system of government with a proper balance of powers and functions between central and sub-central levels and a system that is more democratically accountable and that is based more on the European model.

### **The South-East Regional Authority (SERA)**

The SERA is one of eight NUTS<sup>2</sup> III Regional Authorities established on a statutory basis by central government in 1994. This was a small but significant step towards regionalisation in what is a largely centralised state in terms of government and public administration. Regional Authorities are an important element in Ireland’s system of governance. When established in 1994, the Authorities had a consensus-based co-ordination role and an advisory role to Government both local and national.

SERA, with its statutory base and democratic mandate, has a wide remit and general competence to act in the interest of the development of the South-East NUTS III Region, and has played a valuable role in both articulating and bringing the needs and concerns of the region to the top of the political agenda. Working in close co-operation with local and public authorities, business, farming, employer and employee organisations, the third-level institutes and academia, the Authority has spearheaded efforts to have the overall concerns and requirements of the South-East addressed, particularly in the

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<sup>2</sup> Nomenclature of Territorial Statistical Units (NUTS) is the nomenclature established by the Statistical Office of the European Communities (Eurostat) in order to have a single and coherent territorial distribution and classification system for the compilation of statistics.

context of the National Development Plans 2000-2006 and 2007-2013 and the various EU support measures for Ireland. The continual focus has been to address the key issues that affect the overall development of the South-East region, particularly those that have traditionally inhibited its physical, social and economic welfare.

### **The South-East Region**

The South-East Region covers an area of some 9,406 sq. kms., 13.5% of Ireland. The current population of the Region is 460,838 persons (Census 2006) or about 11% of the national population. The South-East Region is predominantly rural in character with the main urban centres being Waterford City (population 49,213), Kilkenny City (22,179) and the county towns of Carlow (20,724), Wexford (18,163), Clonmel (17,008) and Dungarvan (8,362). Other urban centres of significant scale include Tramore (9,634), Enniscorthy (9,538), New Ross (7,709), Carrick-on-Suir (5,906) and Tipperary (5,065).

### **Establishment, Powers and Functions of Regional Authorities**

Eight Regional Authorities were established on a statutory basis in Ireland with effect from 1<sup>st</sup> January 1994 under the provisions of the Local Government Act, 1991 (Regional Authorities) (Establishment) Order, 1993. This Establishment Order was made by the Minister for the Environment, with the consent of the Minister for Finance, under Sections 3 and 43 of the Local Government Act, 1991.

The powers and functions of Regional Authorities are principally set out in Part III of the Establishment Order. In addition, the Planning and Development Act, 2000 conferred on the Authorities the power to make Regional Planning Guidelines for their functional areas.

Regional Authorities may do all things expedient and necessary for the effective performance of their functions, including consultation with regional, local and other public authorities, engagement of consultants and advisers, research, borrowing, purchase and lease of land and property, requesting information and attendance at meetings of representatives of any local or public authority.

The principal functions of the Regional Authorities are:

- Promotion of co-ordination in the provision of public services in the region;
- Preparation of Regional Economic and Social Strategies covering the development needs and investment priorities of the region;
- Promotion of co-operation, joint action etc. between local authorities, public authorities and/or others;
- Reviewing the overall development needs of the region and the making of statements on them as appropriate, and keeping under review the provision of public services in the region;

- Reviewing the Development Plans of local authorities in the region and in adjoining regions.

## **Context**

In recent times there have been many changes in the context within which the SERA and other Regional Authorities must operate. These changes have taken place at global, EU, national and regional levels.

The over-riding global issues that face the international community today relate to the economic situation, the global recession, the international financial crisis and so on. No matter what the short to medium term global economic situation, however, there are a number of longer-term global issues that must be responded to. These include climate change and all its implications, the changing cost of energy, the threat to food supply in the long term in the context of a possibly less stable energy and political context and the WTO agreements that are slowly creating a trade context free of barriers and support.

The implications of international obligations undertaken by Ireland and particularly perhaps those associated with the Kyoto protocol, the Water Framework Directive, the Habitats Directive and so on, must also be taken into account.

All of these circumstances give rise to a need to maximise our national resources by limiting the competition between local areas and maximising, co-ordination, collaboration and co-operation. Indeed the Government's commitment to partnership and similar processes is reflective of this need. The SERA and other Regional Authorities have been given a key role in pursuing this agenda, and recent developments outlined below are enhancing this role and making it more and more important.

## **Planning and Development Function**

While Regional Authorities have had and continue to have an important role in facilitating and creating collaborative and co-ordinated action at a regional level they have recently acquired a more specific statutory role with the adoption of the National Spatial Strategy and the passing of the Planning and Development Act of 2000. Through these Regional Authorities have acquired a more specific role that is based on legislative provisions and that has mandatory implications for the Planning Authorities within the regions<sup>3</sup>. The Regional Authorities have been steering this regional aspect of Government policy since 2001.

However, it became clear to Government that the powers available to the Regional Authorities in this area were insufficient and somewhat unclear. In a response that

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<sup>3</sup> Regional Planning Guidelines (RPGs) for the South-East Region were developed by the SERA in 2004 covering the period 2004-2020. A review of the RPGs must take place by 2010 and revised RPGs prepared.

demonstrates without question the value to Government of the co-ordination role of the Regional Authorities, large sections of the Planning and Development Bill 2009 presently before the Oireachtas, propose to give powers to and impose duties on the Regional Authorities that will radically alter their role within public sector governance in Ireland.

This decision has not been taken without clear reasons being evident to Central Government and particularly the Department of the Environment, Heritage and Local Government. It is clear from experience since 2004 that local Planning Authorities were not always adopting policies and strategies that paid sufficient attention to Government policy and guidelines. This grew to the extent that the Minister was forced to intervene with Planning Authorities on a number of occasions in order for them to reconsider the policies they proposed to adopt. This is clearly not a sustainable process in the long-term. The Regional Authorities will now be provided with powers and duties which, while not replacing those of the City and County Planning Authorities, will enable it, on behalf of Central Government, to ensure that National Policies and Strategies are properly reflected in plans adopted at local level.

If the Regional Authorities were to be abolished no other body that could perform these critical functions can be readily identified.

It is, therefore, inconceivable that bodies that were being asked to undertake such a key governance role a few short months ago could now be deemed to be unnecessary, if full and proper consideration of their role had been taken into account by the Special Group. One can only assume that the Group was not fully informed of these developments.

### **Co-ordinating function of Regional Authorities**

Many of the issues that face Ireland at the present time and that are likely to face it in the mid to long-term require robust intervention of Government. Indeed recent events have demonstrated that Government intervention has been required to an extent and in sectors that would have been inconceivable a short time ago.

While this intervention can, in many cases, take place at a national level, the differences in the circumstances that face different parts of the country and the individual issues with which those areas must grapple, cannot be addressed through a single, centrally driven system that takes no account of local and regional differences.

The Constitution and legislation recognises this in the substantial role assigned to Local Authorities in both. The system of Local Government facilitates the creation of local responses to local issues, albeit within the framework of goals, objectives and other guidelines that are set by national government.

While the Local Government level has the capacity to respond to local issues, however, it is now widely recognised and is clearly stated in the National Spatial Strategy, that there are many matters and issues the responses to which can be delivered only within territorial units that are greater than the city and county areas addressed in Local Government. Issues ranging from economic and enterprise development, to environmental management, the distribution of population and the provision of major infrastructure, require a high level of co-operation, co-ordination and joint action between a variety of actors in the public, semi-state and private sectors over larger geographic areas. This co-ordination and co-operation has no likelihood of emerging without a locus within which it can take place and an organisation to facilitate and manage it. The SERA has been to the forefront in facilitating and promoting this co-ordinated activity in the South-East.

Since its establishment, the SERA has been pro-active in the initiation and undertaking of a large number of co-operative projects across a wide spectrum of activities. Examples of such projects include:

- Action Plan for Rivers Barrow-Nore-Suir
- Regional ICT Strategy and Action Plan
- Regional Passenger Transport Strategy
- Regional Employment Development Strategy
- Business Development Model for SMEs
- Regional Planning Guidelines and Socio-economic Strategy
- Craft Development Strategy and Development of Regional Craft Centre
- Study on Freight Movements and Logistics in the Region and Implications for Regional Policy
- N. 24 Prioritisation Study
- Regional Entrepreneurial Forum (*'Spirit of Enterprise'*)
- Regional Waste Management Strategy
- Construction of Regional Broadband Infrastructure (MANs) in 15 cities/towns in the South-East.

The Green Paper on Local Government Reform (2007) recognises that regional co-ordination is necessary:

*"To spread national growth in a sustainable way, better arrangements for regional co-ordination are essential, particularly at a time of rapid population growth. Part of the challenge is to ensure that local government is capable of rising to the challenge of developing, and facilitating the development, of the Gateway and Hub cities and towns as envisaged by the National Spatial*

*Strategy. This is a particular challenge where local authorities both co-operate and compete across local authority boundaries”.*

The Green Paper notes that there are now many matters of a strategic nature that require regional rather than local approaches. The NUTS III regional level offers an ideal, established territorial basis for better integration of policies and strategies in certain areas.

### **Role in Accessing European and other non-exchequer funds**

In addition to its role in co-ordinating and having a significant input into the land-use planning and management activities of the region, the SERA has been instrumental in accessing significant EU funds<sup>4</sup> for a variety of purposes. These funds have facilitated many regional projects which have produced funds for the Exchequer and reduced the net cost of the SERA to the state. In addition, these activities have helped create positive action networks within the South-East, between the South-East and other Irish regions and between the South-East and other regions within the EU.

### **Particular Strengths of Regional Authorities**

The SERA and Regional Authorities have a number of key strengths in pursuing the roles outlined above:

- They reflect the boundaries of Local Authorities and are, therefore, in a good position to facilitate the co-ordination of activities between them;
- They are in a position to create long-lasting collaborative relationships with a wide range of actors within a realistic territorial unit that can be comprehended by those involved;
- Most Regional Authorities have at least one Gateway and Hub within their regions and can act as a mediator between the various needs of the Gateways and Hubs and the other parts of the regions (the South-East has the Waterford Gateway and the Hubs of Kilkenny and Wexford);
- They bring together the elected members of a wider territorial unit to consider and address issues of strategic importance and that go beyond their individual boundaries;
- They are in a position to engage in self-funded collaborative actions with other regions in the EU and beyond and to transfer the learning from those actions to local actors in their area;
- As NUTS III regions they represent Ireland at the EU Committee of the Regions level and embody the EU Commission’s core principle of ‘subsidiarity’;

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<sup>4</sup> From EU programmes such as INTERREG, Innovative Actions, Intelligent Energy Europe and R&D Frameworks.

- They co-ordinate a range of technical skills from the Local Authorities within their areas not least in the preparation of the statutory Regional Planning Guidelines in order to put in place a strategic and sustainable transportation and land use planning platform across the country.

There is no other structure in existence or planned with these strengths and that can perform the functions now being required of the SERA and other Regional Authorities.

### **Value for Money**

The SERA and Regional Authorities offer excellent value for money. The total cost of the SERA to the state in 2008 was €0.5m (for the eight Regional Authorities, the total figure was €5m). If, as acknowledged by the Green Paper on Local Government, the National Spatial Strategy and the Planning and Development Bill 2009, there is a need for co-ordination at regional level then any system that could conceivably be put in place to achieve such an outcome would not be done for a lesser expenditure.

### **Conclusion**

It is clearly recognised in Government policies, discussion documents and particularly in existing and proposed legislation that a development co-ordination role is required at regional level. The established Regional Authorities are the only bodies with any electoral mandate to perform this role, as they have been doing since their inception. Since the Planning and Development Act was passed in the year 2000 this role has been placed on a firmer statutory footing and it is clear from the 2009 Planning and Development Bill that the Government believes that significantly enhanced powers and duties are necessary.

Such a perception is not misplaced. The abolition of the Regional Authorities would make no sense in this context, particularly when account is taken of the minimal amount that they cost, the non-exchequer funding that they generate through their EU work and the even more enhanced role that they can play in the future as integrated and co-ordinated activity at regional level becomes more and more necessary to ensure a sustainable and competitive investment environment in the country's regions.

The SERA would welcome any further opportunity to elaborate on the views expressed herein.