

The National Planning Framework: Key Governance Issues

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Introduction

The Irish government is currently preparing a National Planning Framework (NPF), which is to replace the National Spatial Strategy (NSS), originally launched in 2002 and officially abandoned as a failure by then Minister for the Environment Phil Hogan in 2013. The preparation of the new plan was originally announced in July of that year, but significant progress only became apparent this year culminating in the publication, in September, of a 151-page draft of the proposed NPF which is due to be finalised at year-end following a phase of public consultation.

This paper will initially provide a brief review of the NSS and why it failed. It will then outline the main features of the draft NPF which, in essence, are quite similar to the NSS. The paper will then focus on governance issues which contributed substantially to the failure of the NSS and which remain largely unaddressed in the draft NPF. The failure to address these governance issues will, it is argued, inevitably lead to the NPF going the same way as the NSS.

The NSS

The NSS was an ambitious strategy which sought to address two major, and related, issues which had come to the fore at the turn of the present century. The first of these was the need for a new planning framework to manage the very rapid changes occurring in the Irish economy and Irish society as a result of the very rapid growth associated with the Celtic Tiger phenomenon which had emerged in the early 1990s. The second issue was the fact that the economic and population growth associated with the Celtic Tiger was disproportionately concentrated in the Greater Dublin region.

The basic aim of the NSS, therefore, was to put in place a planning system which would slow down this concentration process by directing a larger share of development to other parts of the country. The essential strategy was derived from the European Spatial Development Perspective (ESDP), a well-thought-out approach to promoting balanced regional development (a concept which has been widely misinterpreted in public discourse on regional planning in Ireland) adopted by the EU member states in 1999 (Committee on Spatial Development, 1999).

The main thrust of the ESDP was to facilitate the capacity of the EU's regional cities, working in conjunction with their surrounding hinterlands, to compete independently in international markets, thereby achieving more balanced – and sustainable –

spatial development across the EU. This approach, it was envisaged, would counter the established tendency for national economies across to EU to be increasingly dominated by their respective metropolitan regions.

The NSS, therefore, sought to create specialised export bases in the regions outside Dublin focused on the main regional cities which, following the ESDP terminology, were called “gateway” cities. This was designed to reflect the idea that these cities would act as the centres through which each region’s links with the outside world would be channelled. It was not envisaged that these cities would monopolise investment and growth within their regions, but that they would act as drivers of growth throughout their respective regions. This was an aspect of the NSS which was never properly articulated to the public at large, and to politicians in particular.

Why the NSS failed

Given that the NPF is presented as a replacement for the NSS, and that the basic approach of the NPF draft strategy is similar to that of the NSS in its emphasis on the regional cities as the drivers of growth and development within their respective regions, one would expect that the process of preparing the NPF would have included a detailed examination of the NSS experience designed to identify the range of factors which contributed to its failure and appropriate measures to ensure that these factors would not have a similar impact on the NPF.

The government did, in fact, appoint an Expert Group to review the NSS and make recommendations designed to produce a more effective successor. The report of this Expert Group was submitted to the government in January 2014 but was not published until over two years later (*Review of the National Spatial Strategy, 2014*). This report amounts to just nine pages of printed text, only two of which are devoted explicitly to a critique of the NSS. The report does identify, in very broad outline, some of the problems which beset the NSS, but fails to touch on many other seriously problematical issues which are likely to recur with the NPF (Breathnach, 2014). Three of these are highlighted here as being of particular importance.

The first of these is that the NSS devoted not just insufficient attention, but hardly any attention at all, to the processes and mechanisms required to create the specialised regional industrial structures which were to underpin the strategy. Instead, it focused on the physical planning needs associated with growth in the regions relating to such issues as housing, transport, other forms of infrastructure and the provision of social services such as hospitals and educational facilities. This preoccupation with physical planning issues is repeated in the Expert Group’s report, reflecting the Group’s composition.

The NSS basically saw industrial development as a matter to be left to the enterprise promotion agencies, especially the IDA and Enterprise Ireland, and proposed no structures for mobilising these agencies in support of the NSS objectives. This, no doubt, reflects the fact that preparation of the NSS was allocated to the Department of Environment and Local Government, whose primary concern in the planning sphere lies with physical rather than economic planning. This problem has been reproduced in the preparation of the NPF.

The other two main factors contributing to the failure of the NSS can both be considered to be factors relating to governance. The first of these refers to the lack of buy-in to the NSS on the part of the state apparatus and the second refers to the failure to put in place the kind of subnational administrative structures which

successful implementation of the NSS required. As the indications are that these governance issues will be equally problematical for the NPF, they are addressed in some detail in the next four sections.

Absence of state apparatus buy-in

The NSS was treated with, at best, indifference and, at worst, outright hostility by the Irish state apparatus, including both the elected representatives in the Oireachtas and the state bureaucracy, the latter including both the central civil service and key state agencies. In his introductory message in the NSS document, the then Taoiseach Bertie Ahern gave a commitment that the Government would ensure that its policies would be implemented in a manner that was consistent with the NSS. In fact, the opposite happened. Instead, several major government initiatives launched after 2002 basically ignored the NSS.

The most notorious instance of this was the programme for relocation of government offices launched by then Finance Minister Charlie McCreevey in 2004, which was almost entirely at odds with the aspirations of the NSS. This programme planned to relocate 11,000 civil service jobs to 59 different locations scattered around the country; only 14% of the jobs were allocated to gateway centres. Of nine departmental headquarters to be relocated, only one was earmarked for location in a gateway centre. This despite an express commitment in the NSS that “The Government will take full account of the NSS in moving forward the progressive decentralisation of Government offices and agencies” (NSS, p.120).

In relation to capital investment, the NSS stated:

“Implementation of the NSS will be an important factor in the prioritisation by Government of capital investment, and in allocations by Ministers of the sectoral levels of investment decided on by the Government” (p.124).

At the time the NSS was launched, the main medium for channelling funding for capital investment was the National Development Plan 2000-2006. While this was well under way when the NSS was launched in 2002, it did contain a strong commitment to promoting balanced regional development which was identified as one of the four main objectives of the plan: “...from the outset of the NDP, investment within and between the Regions will take full account of regional development policy” (NDP, p.46). This was also anticipated in the NSS which stated that “Implementation of the current National Development Plan will be a key step towards balanced regional development” (p.123).

However, the mid-term review of the NDP, conducted by the ESRI, found that “Regional development was not a criterion in the allocation of funding for projects under the plan” (Fitzgerald *et al.*, 2003, p. 210). While the mid-term review stressed that “all aspects of the NDP must adhere to the strategy set out in the NSS” (p. 210) and that it was necessary for the NDP to prioritise investments in accordance with the Regional Planning Guidelines then being prepared by the Regional Authorities, it is an indication of the Government’s continued disregard for the NSS that the final review of the NDP, produced by Department of Finance, did not address the issue of regional development at all.

Further examples of how the NSS was disregarded by the state bureaucracy include a major government-commissioned report on Ireland’s enterprise strategy published in 2004 (Enterprise Strategy Group, 2004), which devoted a single, token, paragraph

to the NSS; the launch, in November 2005, of a government programme to invest €34.4bn in developing Ireland's transport infrastructure which made no reference to the NSS; and Enterprise Ireland's strategy document for 2008-2010 which also made no reference to the NSS.

Explaining hostility/indifference to the NSS

It is easy enough to identify why the political establishment would have been hostile to the objectives of the NSS. The populism, localism and short-termism which characterise Ireland's political system are inherently inimical to a strategy such as the NSS which was long-term in orientation and, more importantly, advocated a spatially selective approach to state investment which favoured some locations over others.

Explaining the lack of cooperation of the state bureaucracy with the NSS is a somewhat more complex matter. One key problem in this respect is the culture of non-cooperation between government departments which prevails in Ireland's central civil service. A review of the Irish public service published by the OECD in 2008 identified this as the single greatest problem constraining the service's performance (OECD, 2008). Irish government departments are infused with an inward-looking "silo mentality" whereby each department jealously defends its functional autonomy vis-à-vis other departments. This had clear and negative connotations for a programme such as the NSS which required interdepartmental cooperation and coordination for successful delivery.

The NSS identified three particular measures which were intended to ensure that the policies and programmes of individual government departments and agencies would be consistent with the objectives of the NSS. Firstly, the Department of the Environment and Local Government was to establish a committee representing all relevant departments to support implementation of the NSS. Secondly, the same department was to establish a Monitoring Committee representative of government departments and state agencies, the social partners, the private sector, and regional and local authorities to oversee implementation of the NSS. Thirdly, the Cabinet Sub-Committee on Housing, Infrastructure and Public/Private Partnerships was to take on the task of monitoring implementation of the NSS. It is clear that none of these mechanisms, if they ever functioned at all, did not do so to any effect. Thus, the "Comprehensive public [agency] support" which the ESDP regarded as "a necessary prerequisite for the effective application of the spatial development policy" which it advocated was not forthcoming in the case of the NSS (ESDP, 1999, 37).

Sub-national governance issues

In Ireland, because of the extremely high level of centralisation of public service functions and powers compared with other EU countries, the lack of support from central government departments was fatal to the NSS. While the NSS expected Ireland's subnational governance structures to carry much of the load for implementing the strategy, the fact is that these structures were simply too feeble to carry the strategy forward without this support.

Unlike other European countries, Ireland has no meaningful regional level of subnational government. A set of entities known as Regional Authorities was in place when the NSS was launched, and these were envisaged by the NSS as having a key role to play in its implementation. However, perhaps the most distinctive

characteristic of the so-called Regional Authorities was their lack of authority of any kind. They were therefore not in a position to perform the coordination and mobilisation roles which they were expected to carry out by the NSS.

Meanwhile, at local level the county councils have very few functions and little influence over the activities of central government departments and agencies within their territories (OECD, 2008). This lack of functional capacity also greatly constrained their ability to mobilise private and third-sector actors within their territories. Thus, while in most regions county and city councils did manage to come together to create collaborative gateway implementation groups, their ability to act effectively was severely constrained by their inability to leverage action at local level.

These governance issues were identified as early as 2006 in a report on implementation of the NSS commissioned by Forfás (the now-defunct government advisory board for enterprise, trade, science, technology and innovation policy), which had become concerned by the NSS's slow pace of progress (Forfás, 2006). Among the issues in question were problems of inter-county co-operation and of co-operation between councils and government departments and agencies; centralisation and compartmentalisation of government; and lack of leadership at the regional level.

These concerns were echoed in an assessment of the NSS in a 2008 report by the National Economic and Social Council (which advises the Irish government on strategic economic development issues):

“The development of governance frameworks that will allow key actors in the gateways to take co-ordinated and effective action together is, probably, the greatest and most urgent challenge facing the implementation of the NSS” (NESC, 2008, xix).

In order to achieve this, the NESC pointed to the need for better collaboration between local authorities, and between local/regional authorities and central government departments and agencies; the need to recast regional structures; and the need for more effective vision/leadership at local and regional levels

The following year, in a report on the role of cities in national competitiveness, the National Competitiveness Council identified governance as “the key issue for managing urban growth and implementing policy actions to achieve competitiveness objectives” (NCC, 2009, 35) and highlighted the importance of a co-ordinated approach to tackling issues at the level of the city-region.

Forfás returned to the issue of governance structures in a 2010 report on regional competitiveness (Forfás, 2010), arguing that resources, energy and commitment could be more effectively harnessed at a regional level, that existing structures did not facilitate a strategic and coherent approach to the development of the regions, and that there was a need for governance and leadership structures at the regional level that are efficient, flexible and open to cross-regional collaboration.

New regionalism

These issues are widely recognised in the international literature on regional development. Over the last 20 years a major body of literature has emerged around the concept of a “new regionalism” referring, in broad outline, to a widespread movement towards the acquisition by subnational regions of greater responsibility for their own affairs (Keating, 1998). There are many dimensions to this phenomenon, but one which is of particular relevance in relation the topic of this paper is a general

acceptance that traditional, top-down, regional development policies have been largely unsustainable and ineffective.

Accordingly, there has been a shift in thinking towards cultivating more locally-based, bottom-up, endogenous approaches to promoting economic development. These are seen as being preferable for a number of reasons, including their capacity for putting in place more co-ordinated and comprehensive development programmes tailored to local needs and resources, for developing local linkages with suppliers and service providers, and for facilitating innovation via local information sharing (Pike *et al.*, 2006).

In the “new regionalism” model, local and regional tiers of government are envisaged as playing a major role in fostering endogenous economic development at the regional level. A 2010 OECD report identified three main roles which local government can play in promoting locally-based development (Clark *et al.*, 2010):

- Provision of leadership in building development coalitions and collaborative networks;
- Coordination of support for the development effort on the part of all public sector agencies; and
- Provision of high-quality services and infrastructure.

However, in order to perform this role, local and regional tiers of government must have effective control of public services delivered within their territories and must possess sufficient publicly-perceived status to allow them to perform the leadership and regulatory roles envisaged by the OECD. This, in turn, requires the devolution to the regional and local levels of an appropriate range of functions and powers, where such devolution has not already occurred (see, for example, Cooke and Morgan, 1998; Danson *et al.*, 1997; Martin and Minns, 1995). In the case of Italy, for example, Governa and Salone (2005) have noted how the transfer of powers to regional government has contributed to the increased efficiency of regional and local government and improved urban/regional competitiveness, especially through the promotion of new forms of regional partnership between private and public sector actors.

A major sub-theme of the “new regionalism” literature refers to the territorial organisation of economic development at the regional level. The key concept here is the “city-region”, comprising a focal regional city and its adjacent functional hinterland. City-regions comprise territories in which multiple (and frequently interlinked) spatial systems are simultaneously articulated, embracing such activities as commuting, supply of consumer and public services, transport, communication, contact networks and production chain linkages.

City-regions therefore, it is argued, constitute the most appropriate spatial units for integrated socioeconomic and environmental planning. This is a view very strongly advanced by the ESDP, which devotes considerable attention to the simultaneous and integrated development of regional cities and their hinterlands as complementary units.

The NPF Draft Strategy

This, then, brings us to the recently-published NPF draft strategy (*Ireland 2040 Our Plan*, 2017). The main broad objective of the NPF is that total population and

employment growth in the North & West and South Regional Assembly areas combined will be equal to that in the East & Midland Regional Assembly area in the period up to 2040. The main vehicle for achieving this is concentrated development of the four main regional cities, whose combined growth would match that of the Dublin region over the period. This would mean that these cities would have to grow at twice the rate actually achieved in the 25-year period up to 2016, while Dublin's share of national population growth, at 25%, would be considerably less than its existing share of the national population (c40%). Overall, some 50% of total population and employment growth would occur in Dublin and the four main regional cities. These targets, it should be noted, are aspirational – no specific mechanisms are set out in the draft strategy for achieving these targets.

The NPF is similar in approach to the NSS in its focus on focusing development in the main urban centres. Indeed, in confining its focus to the four main regional centres it is more concentrated than the NSS which provided for seven gateway centres outside Dublin.

The NPF strategy identifies four particular measures which are designed to make it more effective than the NSS.

1. The NPF will be given a statutory legislative basis which the NSS lacked.
2. An Office of the National Planning Regulator will be established, one of whose functions will be to oversee implementation of the strategy.
3. Each of the three Regional Assembly areas will produce and implement a Regional Spatial and Economic Strategy (RSES) which will also be aligned to the objectives of the NPF.
4. A National Investment Strategy will run in parallel with the NPF and will be aligned to the objectives of the NPF.

The first three of these can be considered governance issues, and are considered in the section to follow. As regards the fourth, it will be remembered that the objectives of the National Development Plan 2000-2006 (which was, in effect, of a national investment strategy and which ran in parallel with the NSS) were similarly supposed to be aligned to the NSS, with strong statements in both the NDP and the NSS to this effect. Nonetheless, the NDP essentially ignored the NSS, so one can have little confidence in similar pledges of alignment between the proposed National Investment Strategy and the NPF.

Governance Issues

In its chapter on implementation, the NPF draft strategy has a separate section entitled Governance, which displays some awareness of the governance problems that beset the NSS. The three governance measures identified in the previous section - putting the NPF on a statutory basis, the creation of the Office of National Planning Regulator and the production of regional strategies by the Regional Assemblies - are presented in the draft strategy as responses to these problems.

However, these measures go nowhere near addressing the governance issues which undermined the NSS. Putting the NPF on a statutory basis in itself achieves nothing. Ireland has a long history of passing legislation which subsequently remained poorly implemented.

The impetus for setting up the Office of the National Planning Regulator came from the Mahon Tribunal and is primarily designed to combat corruption in the planning

process. The Regulator's main concern therefore will be to ensure that rules are adhered to. Adding on the function of monitoring overall performance of the NPF, therefore, means diluting a function which should be central to effective NPF implementation. Furthermore, there is no mention in the draft strategy of how the Planning Regulator will be able to act to ensure compliance with the NPF.

What the NSS lacked, and the NPF will also lack, is a powerful national office capable of knocking heads together in the central civil service to ensure coordinated support of the NPF, capable of forcing recalcitrant ministers to act in accordance with the NPF, and capable of resisting the political interference which will inevitably impact on the NPF implementation process. It is impossible, given Ireland's politico-institutional configuration, to envisage such an office ever being established, never mind acting effectively.

At the subnational level, the NPF attaches major importance to the role of the Regional Assemblies in drawing up and implementing regional strategies. However, the Regional Assemblies have no powers to enforce compliance with these strategies on the part of actors within their territories, nor are any such powers proposed in the NPF draft strategy. This is similar to the situation with the NSS where the old Regional Authorities drew up Regional Planning Guidelines in compliance with the NSS but where there were no mechanisms for enforcing these Guidelines, a weakness which was identified by Forfás in its 2010 report on regional competitiveness (Forfás, 2010).

On top of that, the Regional Assemblies comprise very unwieldy territories which bear no relationship to the spatial structure of the economy, which is mainly organised in the form of regional fields or hinterlands around the main regional centres. The Regional Assemblies were created by cobbling together the earlier Regional Authorities, with their boundaries largely determined by the need to provide a degree of continuity with the existing arrangements for monitoring EU structural funding which today is of, at best, only marginal relevance to regional planning in Ireland and is not mentioned at all in the NPF strategy document. The Regional Assemblies therefore represent governance units with few functions, no powers, and little relevance to the city-focused planning which is the main component of the NPF.

The draft strategy does recognise this problem and proposes the preparation, for each of the four regional cities, of Metropolitan Area Strategic Plans (MASPs), designed to address the problem of the regional cities being spread over multiple local authority territories. However, there is no information on what governance structures will oversee these strategic plans and what powers, if any, they will have to secure active cooperation from relevant central government departments and organisations and participation of local authorities and private sector actors.

It would obviously make a lot more sense to create regional structures which align with the hinterlands of the main cities. However, the NPF draft strategy accepts the clearly dysfunctional Regional Assemblies without question. It borders on the absurd to base a regional strategy on such clearly inappropriate regional entities.

As noted above, research and experience elsewhere has shown that, ultimately, effective regional and local development requires devolution to the regional and local levels of the wide range of powers and functions involved in the development process. Despite the fact that the first chapter of the Action Programme for Effective Local Government published by the Department of the Environment, Community and

Local Government (2012) presented a strong case for such devolution, this possibility has not even been hinted at in the NPF strategy document.

The NSS was fatally hobbled by the lack of support from central government departments and state agencies, and there are already signs of a similar fate being in store for the NPF. According to the Local Government Reform Act 2014:

“Each public body shall consult with the regional assemblies, as appropriate, when preparing its own strategies, plans and programmes so as to ensure that they are consistent, as far as practicable, with national and regional objectives set out in the National Spatial Strategy and regional spatial and economic strategies.”

Yet, when the Department of Jobs, Enterprise and Innovation (DJEI) launched its Framework for the Development of Regional Enterprise Strategies in February 2015, it made no reference at all to the Regional Assemblies which came into existence the previous month. Furthermore, the DJEI proceeded the following year to prepare Regional Action Plans for eight regions (equivalent to the old Regional Authorities), whose boundaries do not coincide with those of the Regional Assemblies.

Conclusion

The NPF draft strategy comprises an outline strategy which identifies broad objectives and measures for achieving these objectives. It may be that, at the implementation stage, more detailed sets of objectives and action mechanisms will be forthcoming, although no procedures along these lines are identified in the strategy.

Nevertheless, even at the broad level, there is no appreciation in the draft strategy of the nature of the governance challenges which will face the NPF. Accordingly, there is very unlikely to be any movement in the foreseeable future towards devolving significant functions or powers to the subnational level or towards recasting the territorial structure of local government in Ireland – measures deemed crucial elsewhere to the achievement of balanced regional development. Meanwhile, the NPF draft strategy clearly has no grasp of the powerful opposition the NSS met from the central organs of the state, and there is no reason to expect that the NPF will not meet a similar fate. In the absence of profound reform in these areas, it is difficult to see any prospect of the NPF being implemented successfully.

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