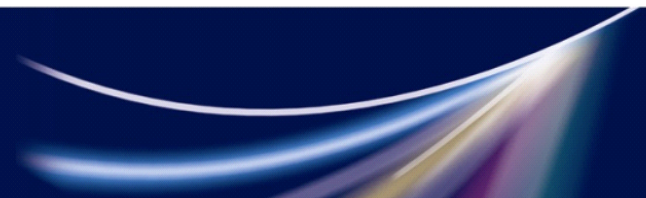




**Minister Foster's
Speech to the NILGA
Annual Conference
2008**



The Challenge of Change

Good morning.

I would like to thank NILGA for the opportunity to address this conference, albeit in this slightly unusual manner.

It is certainly timely that NILGA is holding this event, and the theme: “The Challenge of Change” is one which has particular resonance in local government and indeed in the wider public sector in Northern Ireland, as we in the Executive take forward our Programme for Government.

The political landscape in Northern Ireland has changed dramatically over the past year, with the restoration of devolution in May marking a new beginning in our ability to shape our future. This is a time of change and challenge, and all of us in public life must work together to face these challenges, and to release the potential to build the Northern Ireland that we all know can exist. Professor Irwin Corey said “If we don’t change direction soon, we’ll end up where we’re going.” I think it is now fair to say that we have begun that process of change, and that it is up to us to determine where we are going.

The issues under consideration by the Executive in relation to the reform of local government are complex and you will have heard by now that we have not yet reached a resolution.

The Executive is very conscious of the sensitivities that surround these issues, in terms of history and geography, and of its importance to the future of local government in Northern Ireland, which is why we feel that further deliberation is needed before we reach agreement on the best way forward. Although the delay in this decision is regrettable, the Executive feels, and I feel, that we should do it once and do it right.

While we're considering the best way forward we have been working hard and making progress across a wide range of issues, which the Executive has set out in its Programme for Government.

In agreeing the Programme for Government, the Executive were very aware that we are entering a new phase in Northern Ireland's development – where we have the opportunity to deliver a better and more sustainable future for all.

The theme of the Programme for Government is “Building a better future.” It is now our responsibility to grasp this opportunity, and to deliver on our promise to build a prosperous, fair and inclusive society; one which is supported by a growing and dynamic economy, and where we can all share the benefits which opportunity can bring.

It is worth spending a moment on the Programme for Government. The Programme sets out our strategic priorities for the period 2008 to 2011, and has been used to determine the Budget and Investment Strategy. Taken together, these documents show how we in government will allocate resources and investment to deliver our priorities.

The overarching priority in the Programme for Government is growing a dynamic and innovative economy, with sustainable economic growth providing the prosperity to improve the quality of life, reduce disadvantage and increase the general wellbeing of communities. These are themes that have been reflected in the recent vision exercise which formed part of the review of the local government aspects of the RPA, and I know that local government will play a major role in realising our economic potential.

Secondly we must ensure that communities feel the benefits of increased prosperity, and to do so will need a co-ordinated effort across government and local government to create the strong and vibrant communities which allow everyone to realise their potential. This in turn must be supported by the availability of good quality affordable housing and the promotion of healthier lifestyles to ease the growing burden of our health costs and allow us to provide the top quality health care we all need.

Our third priority as an Executive is to protect and enhance our environment and natural resources. That is a major priority for my Department. We all recognise that there are linkages between a healthy environment, a growing economy and quality of life. Northern Ireland has a diverse and rich natural heritage, which we must ensure is protected for future generations. Our built heritage is also rich and diverse and the inevitable pressures which prosperity brings for more housing and development space must not be allowed to impinge on this. To this end, I have set in train a fundamental overhaul of the planning system, to ensure sustainability in economic and environmental terms. We will also take steps to strengthen the protection of key habitats and, as I will discuss in more detail shortly, reduce landfill by creating new waste treatment facilities. Finally, we are committed to increasing the proportion of our energy which is produced from renewable sources, and to reducing our carbon footprint.

Our fourth priority is to invest in improving our infrastructure. This is a basic requirement for economic and social development – we need to remain competitive, to attract investment and to allow us all access to services. Significant investment is needed in this area, and we must make improvements to our roads, public transport, water and sewage, waste treatment and social housing to allow us to meet our obligations under EU Directives, and to maintain and enhance our environment. We also need to invest in our physical infrastructure for health and education. Taken together this investment will provide an infrastructure fit for the 21st century.

Finally, and perhaps of most relevance to us here today, we must deliver modern, high quality and efficient public services. In central government we are in the midst of the most fundamental reform of public services for a generation. We have made a commitment to delivering world class public services to meet the needs of the public and the economy, and our programmes include reform of how we provide major internal central government services such as IT, finance and human resources as well as the delivery of key reform programmes in health, education water and planning.

The purpose of such programmes is not just to deliver efficiencies, but to re-shape our structures to deliver modern public services which meet all our needs.

The review of the local government aspects of the RPA is a key element of this wider restructuring – local government and central government in partnership can deliver flexible and integrated services, and the local element will mean that we are better able to respond effectively to the needs of local communities and businesses.

All of these initiatives will need to be funded, and our challenge as an Executive, and as a wider public service, is to deliver the improvements in service against a tightening fiscal agenda. We all recognise that we not only need to become efficient, and squeeze the maximum value from every pound spent, but we must also innovate and use new and effective means to deliver against our commitments.

That challenge cannot be met by central government alone, working in isolation – all public service providers must work together. We now have an opportunity to build on the excellent work which local government has been doing for many years in delivery of local services, and we need to take the relationship between central and local government to a new level of partnership and mutual support.

We are only at the beginning of the process of change in local government. The Local Government Taskforce's Strategic Leadership Board has proven invaluable as a means by which we jointly consider the issues and challenges for local government, and how local and central government can work together. I recognise the need and the desire within councils to progress, and to deliver more and more modern services to their ratepayers. To this end my officials have built upon this impetus which has come from the Strategic Leadership Board sub-groups on modernisation. These sub-groups, made up of local government elected and officer representatives and Departmental officials are carrying out excellent work in identifying and championing areas for modernisation within the sector. Indeed, even though the funding climate

in government is tight, my officials are progressing the development of a Strategic Outline Business Case for the modernisation programme. This case will be developed with the input and co-operation of the sector, and will build a detailed picture of the benefits which a modernisation programme for local government could deliver. These benefits are likely to be not just in terms of efficiency, but also potentially in improved processes and systems. It is my intention to use the Strategic Case as a means to secure the necessary funding to support councils' efforts in the modernisation programme.

I also recognise the role that NILGA has played, and will continue to play, as a key delivery partner in the local government policy arena. I confirmed at the Strategic Leadership Board meeting in January that my Department have made available significant funding – some two million pounds over the next three years - to NILGA to support its role in the reform and modernisation process. It is my belief that this will enable NILGA to strengthen its role on behalf of the sector, in advancing the case for and the delivery of the modernisation agenda, and the wider aims and goals of local government.

Change, or the threat of change, forces us to re-focus our perspectives, to look in a different way at what has always been familiar. And that isn't always comfortable or easy. But the two key points to remember are, firstly, that where it is necessary it can be done and, secondly, it can be worthwhile.

And I am pleased that we don't have to look too far beyond this audience to find examples of local government's capacity to absorb and demonstrate this. In 2003, councils acknowledged that national and European legislation was driving them inexorably towards a point where it would no longer be viable to act independently in respect of waste management planning and disposal. In Northern Ireland, whether it's in sport or town lands or other ways of establishing and maintaining identity, we are very boundary-conscious. We enjoy the distinctions our differences generate, we agree with Frost that 'good fences make good neighbours' and we are loath to dismantle them.

Yet Northern Ireland's twenty-six local authorities agreed to change, to if not dismantle at least lower those fences, and work in partnership instead of isolation in respect of waste disposal.

There are lessons to be learned from the way in which our councils have co-operated in arc21, the Southern Waste Management Partnership and the North West Regional Waste Management Partnership, to draw up Waste Management Plans, to exercise economies of scale, and above all in recent times to work closely with my Department to develop the case for central government support for the major waste infrastructure necessary if Northern Ireland is to comply with national and European requirements for waste disposal and recycling.

I would like to take this opportunity to congratulate the constituent councils that make up the waste management groups for recognising that often local interests can best be served through co-operation rather than maintaining division, and for rising to the challenge posed for us by the Landfill Directive.

As arc21 and SWaMP and the North West group move further down the road towards these major infrastructure procurements – procurements, incidentally, that however expensive, are still cheaper than compliance by individual councils would have been – I look forward, particularly in my role as chair of the Strategic Waste Board, to monitoring and assisting local government's response to that challenge in whatever way I can.

The blunt truth is that if we don't change a little bit more, learn to be a little more flexible, a little more trusting, a little more daring, a little less scared even, we won't meet the landfill targets or any of the other challenges that currently confront local government. But rather than regard those challenges as a threat, and rather than fear the changes they will necessitate, we should embrace them as an opportunity to raise our standards still further and to enhance our understanding of the relationship between issues, like waste, like governance, which are at once intensely local and intensely global in their significance and impact.

One of the key challenges in the coming years will, of course, be the reform of the planning system.

The overarching aim of the Executive is to build a peaceful, fair and prosperous society in Northern Ireland supported by a vibrant and dynamic economy and a rich and sustainable environmental heritage. A modern, up to date, planning system is critical to achieving this aim.

Planning plays a key role in helping us to deliver on many of our priorities – stronger, safer communities; the provision of schools and hospitals; regeneration of disadvantaged areas; providing affordable housing; and ensuring a cleaner environment.

I have spoken to many groups representing the community, business and local government, and one thing that attracts unilateral consensus is that we need to improve the planning **system**. Too often people confuse this with the Planning **Service**. And while, as in any organisation, there is always room for improvement, we need to remember that the planning system involves many partners - from developers through to architects, designers, consultees, objectors and so on – and the planners too, of course. If we are to bring about significant improvements to the planning system then we all need to play our part.

I believe there is a need for us to look at how we can radically reform our planning system. Any reform needs to ensure that the system remains open, transparent and fair to all, allowing communities and individuals to have a say in how their areas are shaped.

Reform needs to impact on all aspects of the planning system, from the drawing up of development plans to the processing of planning applications; from the preparation of planning policy to the role development must play in supporting infrastructure. It will also impact on how we support these functions, including how we finance the system and set planning fees; how we organise ourselves and carry out consultations; and how we interact with the public and other key stakeholders.

And as I've indicated, these in turn will help to deliver the real outcomes in terms of what is needed for Northern Ireland - schools, hospitals, infrastructure and so on.

I have announced the intention to publish a White Paper on our emerging proposals for public consultation later this year but, of course, reform of the planning system does not start from a blank sheet. We have already had some noticeable improvements through the establishment of the Strategic Projects Division which has successfully steered projects, such as Coca-Cola and Ikea, through to such speedy and welcome determination. In the review of draft PPS14 we are working cross-Departmentally against challenging deadlines and engaging with stakeholders. By doing this we have raised planning policy up the agenda; injecting energy and drive which may have been lacking under previous administrations. This approach lays a firm foundation for future improvement in the development and review of planning policy. We must now build on these successes and use them as a blueprint for how we – and by 'we' I mean planners, developers, consultees, elected representatives and others - handle other projects. We must be ambitious, yet realistic, about what can be achieved.

There is much still to be done but I am encouraged by the start we have already made and I believe that we have a unique opportunity to create a planning system which is fair, fast and delivers what is needed to support the Northern Ireland economy. However, if we are to deliver, it is critical that we have a shared and common understanding of the type of planning system that is needed in Northern Ireland and that we all, in central and in local government, play our part.

All of the change and progress which I have spoken of is reliant on the maintenance and strengthening of good working relations between central and local government.

I believe that there is a lot to be learned from the concordat between central and local government in England. This historic, new written agreement will radically transform the relationship between central and local government. It sets out unprecedented new freedoms for local areas and communities and

commits central and local government to work together towards giving people a clearer understanding of what public money is spent in their area, and towards giving councils greater flexibility in their funding. I will be meeting with my Scottish counterpart in March to discuss the lessons learned in establishing their own concordat between the Scottish Government and their local government sector, which was based on mutual respect and partnership. We can then begin exploring how a concordat between central and local government in Northern Ireland could allow us to move forward with the confidence that working relationships will continue to be conducted properly and professionally. Through a concordat we can establish agreed processes, such as effective consultation which will allow us to establish the ground rules for administrative co-operation and the exchange of information. Doing so will create the foundations upon which a new statutory partnership between central and local government can be built.

To conclude, we have just begun to address the challenges which devolution presents, but these are welcome challenges which allow us to shape our own future. We do this in a time of tightening fiscal pressures and in the context of increased expectation from the public in terms of the quality and efficiency of service. We in government, both local and central, recognise the need to modernise and update our service delivery, and to move away from satisfying the corporate structures of government and towards developing the citizen focus which can deliver world class public services. All of this requires change, and to some change is not a comfortable environment in which to work. To quote Georg Lichtenberg, "I cannot say whether things will get better if we change; what I can say is they must change if they are to get better."

I know that you in local government fall into the latter category, and that you can build on the confidence which the sector already has in abundance, and that you will continue to be the driving force in local politics and local service delivery.

Thank you, and I wish you all a very successful conference.