

## **Public Service Relocation Programme: Optimising the Opportunity**

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### **Introduction**

I accepted the invitation of the AHCPS to address this annual delegate conference on the understanding that I would not be inhibited in expressing my views on decentralisation, irrespective of the degree to which these might differ from those of AHCPS. I wish to acknowledge that this undertaking has been honoured in full.

Earlier this year I addressed the same topic at a Chamber of Commerce meeting under similar conditions.

While I know that you and your members also have concerns about a variety of personal issues; particularly about promotional opportunities, I do not intend to address these: rather I wish to consider the Programme for Decentralisation from a national perspective. I wish to consider how it might be shaped to have the most positive impact on Ireland's prospects at a time when the economic development model of the past is faltering and major global change is underway.

### **The Decentralisation Announcement**

The Minister for Finance, Charlie McCreevey, has a track record that leaves little doubt he is amongst Ireland's most successful Ministers for Finance. He has presided over years of successful economic development and has played a key role in securing a relatively soft landing following the events of September 11. This long record of exceptional achievement serves to imbue any major programme he introduces with much credibility.

Having spent most of the past 30 years working in a regional location I found his announcement of the government's decision to undertake a major programme of decentralisation welcome news indeed.

He and his Cabinet colleagues can take credit for having the courage to think radically about the issue of regional imbalance and take dramatic action that many think is long overdue.

The programme of decentralisation faces down those within the public sector who may resist change for the usual reasons.

Many public organisations, units and back-office operations that are not concerned with central government policy-making need not be in Dublin, and their presence in any regional location would serve as a significant local stimulus physically and psychologically, while at the same time taking pressure off the overextended infrastructure of the capital. In so far as the Programme addresses these opportunities it has much merit.

However as the details of the programme emerge, concern has become mixed with the welcome: a splendid national opportunity to correct the Dublin imbalance has not been availed of as it might; while certain components of the programme have the potential to seriously endanger the future effectiveness of central government and consequently Ireland's wellbeing.

The proposed programme appears to have been hurriedly prepared and to have bypassed the normal process of analysis and consultation. A fine basic concept can be damaged if it contains serious defects that emerge in the process of implementation. These defects should be addressed now, rather than later, and appropriately modifications made to the programme before plans are implemented.

I welcome the initiative in principle, and wish that it should be a success for Ireland. But if this success is to be achieved the potentially harmful aspects must be addressed so the Programme's potential to provide a visionary focus for Ireland's next phase of development is realised.

The timing could not be better since the economic development model that has driven the Irish economy during the past decades is faltering and an urgent search is underway for a new one to replace it: a model that is better suited to the new circumstance of the global knowledge-driven economy and the expanded EU.

Thirty years ago agriculture employed 25% of the workforce: now it is only 6%. As far as the regional communities are concerned a national model has yet to be provided that addresses the future development needs of rural towns and villages which are no longer sustained by agriculture. Experience elsewhere suggests that regional cities and dense clusters of adjacent towns and villages, geared to the needs of the knowledge-age and focussing on related business, are the future drivers of success<sup>1</sup>.

In the new economy the future of regional communities depends on the ability of Ireland's regional cities, and clusters of adjacent towns and villages, to develop scale, expertise and infrastructure sufficient to attract and support advanced knowledge-driven enterprise. Not one of Ireland's cities, other than Dublin, can at present meet these criteria. Any major national initiative such as the Decentralisation Programme should take this key fact into consideration and focus on this issue as the prime means of addressing the regional deficit. Developing dense clusters that tend to strengthen the ability of the regional cities, or groups of cities, to compete with Dublin is the route to success. Plans that diffuse resources and talent to many minor locations, while proving locally popular, will fail to build regional focal

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<sup>1</sup> Porter, Michael. Economic impact of clusters; latest findings. Proceedings, Clusters Conference. Montreal, Canada. 7 November 2003.

points that have the critical mass, scale, concentration of talent and infrastructure necessary to tip the balance away from Dublin.

I have taken the time since 3 December, long before I was invited to make this address, to discuss the Decentralisation Programme with knowledgeable, respected and senior people, who would not be aware of your Association's activities, but who have played key roles in contributing to the building of the Ireland success story. While many would applaud the Government for 'taking on the public service' I am disturbed at the level of cynicism with which most regard the 3 December programme and at the long list of concerns they express. These are serious concerns, not about local political issues, but about the future prospects and wellbeing of Ireland. The following summarise some of the more significant concerns:

- Concern that an important opportunity for Ireland is being missed
- Concern that the significant investment involved will not create something visionary that would mark a new phase of Ireland's development capable of motivating the people as a whole and sending an international signal of Ireland's ambitions for the knowledge age
- Concern that those aspects of the plan associated with the move of 8 of the 15 Government Departments from the administrative capital will seriously undermine the quality of central government, and, rather than achieving more 'joined up government', will produce less
- Concern that senior public servants are distracted at a time when Ireland faces a major economic challenge as the old formula for economic development falters and a new knowledge-age development formula is urgently required.
- Concern that a matter of such profound significance should be announced not by the country's prime minister, but in a budget speech where it did not belong, and inappropriately utilised the special dispensations made available because of the taxation and related issues associated with budget speeches
- Concern that the budget speech dispensations appear to have been used intentionally as a means of bypassing the formal processes that would otherwise require the decentralisation proposal to be subjected to timely interdepartmental consultation and scrutiny before coming to Cabinet for consideration and final approval.
- Concern that neither at the time of the announcement, nor since, has any document or cost/benefit analysis been made public that would suggest that the decentralisation programme was designed with a view to achieving optimal benefit for Ireland as a whole
- Concern that while the announcement appears to fall into the same category as the announcement, prior to the 1977 elections, to remove domestic rates and abolish car tax; unlike these pre-election announcements the decentralisation programme in its present form can inflict serious lasting damage on the quality of Ireland's central administration and government and the country's future wellbeing.
- Concern that the significant effort, financial and human, associated with the decentralisation programme will not create a counterpole to Dublin

- Concern that the term ‘decentralisation’ is misleadingly used to describe a programme of relocation that contains no element of decentralisation as understood internationally<sup>2</sup>
- Concern that 53 locations diffuse the programme to such an extent that its potential impact on regional development has been minimised<sup>3</sup>
- Concern that the hard decision of selecting and focussing on one or two regional locations, most likely to have the potential to tip the balance away from Dublin, has not been taken
- Concern that the National Spatial Strategy (NSS), which was already unrealistically diffused across too many locations, may be seriously undermined by the naming of the Decentralisation Programme’s 53 locations, where any relationship with the NSS Hubs and Gateways appears to be no more than accidental.
- Concern that Ireland’s plan to disperse 8 of the 15 government ministries runs counter to international experience and good practice. The chair of the 1996 OECD Ministerial Symposium on the Future of Public Services states<sup>4</sup>

“There has been a debate about the size of government, as well as whether to centralise or decentralise. ... We must now be willing to move in both directions – decentralising some functions while centralising critical policy-making responsibilities.”

*Alice Rivlin, Chair, OECD Ministerial Symposium on the Future of the Public Service*

- Concern that dispersing a majority of ministries across the countryside takes Ireland into totally uncharted waters. No record can be found of any government anywhere proposing such an idea
- Concern that because there was such widespread endorsement by the 53 communities associated with the programme that the potentially damaging aspects for Ireland as a whole have not been adequately debated either within or outside the Oireachtas
- Concern that prior to any adequate examination of the merits or deficiencies of the programme a Decentralisation Implementation Group should be directed to draw up an implementation plan

### **The Implementation Plan**

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<sup>2</sup> Decentralisation: the transfer of responsibility to democratically independent lower levels of Government, thereby giving them more managerial discretion, but not necessarily more financial independence.

<sup>3</sup> If ratios clustering scaled for population on a par with that announced in the UK in April were adopted 3, rather than 53, locations would have been chosen.

<sup>4</sup> Managing across levels of government. OECD, Paris. 1997.

A distinguished group of six people chaired by Mr Phil Flynn was charged with developing a plan and reporting by the end of March. This it did and undertook a remarkable amount of work in the short time available<sup>5</sup>.

The terms of reference given to the group are action-oriented and address,

- Sequencing of moves
- Office infrastructure
- Industrial relations
- Financial implications
- Public service efficiency
- Communications strategy

This appear to offer little scope for the group to make significant modifications to the core components of the programme

As the Group undertook the daunting task of implementing the programme it also recognised many of the concerns previously outlined.

The Group reports states that “There are legitimate concerns about the efficiency and effectiveness of the civil service and related agencies in a decentralised world” including “service certainty and viability and the delivery of ‘joined up government’ in the new circumstances”

The Group was unable to give more than vague indication as to how these key concerns can be addressed. The report rather blithely but loyally states: “Early indications are that all such concerns can and will be successfully addressed”. The nature of these early indications is not stated. Rather Sections 1.10 to 1.14, where you look for clues as to how these concerns might be addressed, admonishes the reader that it is “...all too easy to list off the potential problems...” the real challenge is to identify the issues arising from decentralisation and how they are to be tackled as opportunities”.

It would appear that whatever documentation was provided to Mr Flynn and his group as they commenced their work it gave few ideas that the Group could share with the public to explain how the ‘legitimate concerns’ might be put to rest, and in particular how any rational analysis could suggest that the vital decision-making process of central government could be improved by taking a majority of its components and rather arbitrarily relocating them across the countryside from Knock Airport to Killarney.

Rather the Report, unable to identify solutions to the ‘legitimate concerns’ it identifies, resorts to rhetoric. In Section 1.12 it declares: “We believe [the public service] is sufficiently dynamic, realistic and professional to meet the challenges posed by decentralisation. It will successfully grasp the opportunities offered by these challenges to the benefit of all concerned.”

The report deals with the issue of loss of ‘organisational memory’ and suggests that “Effective knowledge management should look at ways to document and store knowledge and share it within and across organisations. Much will depend on the effective use of ICT systems...” This rather naive reliance on ICT as a solution to this and other problems

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<sup>5</sup> Flynn, Phil. Report of Decentralisation Implementation Group. Dublin. 31 March 2004.

permeates the Decentralisation Group Report and suggests a lack of understanding of what ICT can and cannot accomplish.

Those concerned with the prospect of spending a total of two or possibly three days, rather than the customary single day, attending a Brussels meeting are advised by the Report that “New ways of servicing meetings in Brussels should be explored”. Most who have experience of meeting dynamics know of the importance of the dictum: “Be there”.

While one might possibly participate via video conference in a formal meeting, the informal discussions and networking that takes place before and after a committee meeting are usually indispensable. In fact the more intense the negotiation the more likely the meeting outcome is going to be determined during the informal networking before it commences.

The report fails to give guidance as to how decentralised departments will interact effectively with the Oireachtas and with key non-governmental bodies and resorts to stating “...consideration needs to be given...” to the matter. The reality is that the eight decentralised departments will find that their informal network of interaction with other departments and bodies will be seriously reduced, as will their ability to advise the Oireachtas and influence the formation of policy and its implementation. The Departments listed to remain in Dublin are already strong and would become even more dominant. Should this come to pass the balance and quality of central governance may not be improved.

Unable to give much reassurance as to how the ‘legitimate concerns about the efficiency and effectiveness of the civil service’ might be addressed the report moves quickly onwards to address the more tangible issues of how you buy and sell buildings and move public servants about without upsetting them more than they are already.

The words of a long-forgotten unsuccessful military leader appear pertinent:

*Having been unable to understand our mission we redoubled our efforts to accomplish it.*

If there is a core message to be gained from examination of the 3 December 2003 statement on decentralisation, and of the 31 March 2004 report related to its implementation, it is that certain key elements of the basic proposition appear to be seriously flawed to an extent that they could undermine the value of the ‘decentralisation’ concept and the valuable aspects of the programme.

Momentum is important and the government deserve credit for the energy and determination with which the issue is tackled. It should be possible to move forward with certain components of the programme, however those aspects that relate to moving eight Ministers and their senior policy-making staff should not proceed until it is clearly established that it is in the interest of the country as a whole to do so. This has yet to be done.

### **Examining and modifying Ireland’s Decentralisation Programme**

At this point it would be wise to take a step back from the frantic efforts of the Implementation Group and get the fundamentals right.

As the **first step** it is proposed to utilise international guidance and experience in examining the proposed Decentralisation Programme, to extract from it the components that are

valuable (from a national perspective, as opposed to a named-locality perspective) and then propose options.

As the **second step** it is proposed to explore how the valuable components of the Programme could be rearranged, optimised and built upon from a national perspective so as to create a national knowledge-age vision for Ireland that would motivate the community as a whole and win international commendation and attention.

### **First Step: Examine International Experience and modify Programme**

#### **UK**

Tony Blair and Gordon Brown are embarking on a major programme involving the relocation of 19,700 posts from London and the southeast into the regions over the next seven years. The programme was announced on 9 April following the publication of the Lyons Review in March<sup>6</sup>.

Relocation programmes are not new in the UK and have focussed on self-contained offices such as the Patent Office, the Passport Office, and the Met Office<sup>7</sup>.

Sir Michael Lyons, in conducting the review, worked over a one-year period with government departments in the process of identifying suitable posts and organisations for relocation. A basic distinction was made between policy-making units and service providers. The total pool of 244,495 posts was considered. Of these 27,150 posts were identified as sufficiently divorced from central policy-making to be eligible for relocation. Of these 7,474 will not be filled as they are 'expected to disappear as a result of wider efficiency improvements'. The Lyons relocation programmes is expected to save £2 billion over 15 years.

The report states that impact will be greater when "...clustered in a limited number of locations rather than very widely spread". A total of 32 UK locations were identified and more than a third of these are clustered along the 130-mile M62 corridor stretching across the north of England from Liverpool to Hull. This corridor was identified in February by the British deputy-prime minister John Prescott as the linear core of a new coast-to-coast "megalopolis": The Northern Way<sup>8</sup>. The daring plan envisages a supercity of the north with 15m population, intended to rival London's 9m in size and economic power. The plan was drawn up for Prescott by a team of architects, academics and design gurus with the objective of creating "an extended metropolis" big enough to shift the balance of power away from London and the southeast. The towns and cities on the corridor retain their separate names

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<sup>6</sup> Lyons, Sir Michael. Independent review of public sector relocation. HMSO, Norwich, England. March 2004.

<sup>7</sup> Davies, Gareth H. Public appointments: moving time for civil service. Sunday Times, London. 4 May 2004.

<sup>8</sup> Leake, Jonathan and Shukor, Steven. Prescott plans a northern supercity to rival London. Sunday Times, London. 15 February 2004.

and authorities but are seen as a single economic unit. The Northern Way will start as a string of cities connected by high-speed rail and road links with its growth driven by knowledge-based businesses, research parks and high-tech businesses.

The principal potential benefits from the UK relocation programme are clear:

- Cost savings
- Efficiencies
- Stimulant of a major regional initiative: the Northern Way, as a counterpole to London

## **France**

A policy of relocation has been in place in France for almost 50 years. In the past 12 years some 30,000 posts have been dispersed from Paris to regions and well-established mechanisms are in place. France has given focus to its policy by clustering activities with a view to developing strong centres of excellence, especially based on science and research such as Toulouse and Sophia-Antipolis. In France some of the preconditions identified for success are

- Willingness to make the move a collective project
- Good preparation
- Provision of plenty of time for planning and implementation
- A collaborative response from the relocation area

## **Germany**

Because of the move of the administrative capital from Bonn to Berlin much valuable guidance can be gained from the German experience. At the outset it was decided to reduce the impact on Bonn by leaving certain ministries and agencies there as the administrative capital prepared to move to Berlin. In the case of freestanding agencies, not directly involved in government policy-making nor having a strategic focus, the arrangement has worked well: many have benefited from the greater independence gained. However in the case of ministries the arrangement has proved cumbersome and, despite the best ICT and transportation linking between Bonn and Berlin, the policy-making units of the ministries are now finding it necessary to gravitate to Berlin.

## **Norway**

In May 2003 the Norwegian Government announced its decision to move eight state regulatory agencies from Oslo during a 3-year period. Benefits include the distancing of the agencies from the organisations they regulate as well as providing a stimulant to regional development. Transition costs are significant since it has been found necessary to provide shadow teams with a split headquarters arrangement during the transition period.

## **Lessons from International Relocation Experience**

International relocation experience suggests that the possible national benefits from carefully planned relocation programmes include:

1. Securing a better balance between the centre and the regions
2. Creating a counterpole to the capital by densely clustering relocated organisations
3. Creating centres of excellence by relocation of scientific and research organisations to designated locations
4. Improving resilience in the event of national disaster
5. Achieving long-term cost reductions
6. Achieving staff reductions of up to 25% by using the relocation exercise to secure efficiencies
7. Improving service delivery by the introduction of new systems
8. Reducing staff turnover
9. Separating regulatory agencies from the organisations they regulate.

International experience suggests that if relocation programmes are to be successful

1. Only units that are freestanding should be eligible for relocation
2. Units with policy-making or strategic roles within central government should be retained within the administrative capital
3. Ministries should operate from the administrative capital
4. Units that are relocated should not be widely spread but should be clustered in a limited number of locations
5. Much attention should be given to the human dimension
6. Staff should be willing to relocate and see it as a collective and nationally beneficial project
7. Careful planning and consultation is essential if the benefits and efficiencies of relocation are to be secured
8. Because relocation can be costly in terms of resources and opportunity costs the programmes needs to be designed with care at the outset if the optimal long-term benefits are to be derived

### **Modification of the Irish Decentralisation Programme Based on International Experience and advice**

- Only freestanding public organisations, agencies or units that are not directly involved in central government policy formulation and strategy should be considered for relocation
- All Ministers, all Secretaries General and all those senior staff and agencies involved in formulation of government policy and strategy should be retained in the administrative capital

The Appendix contains a SWOT analysis of the 3 December Decentralisation Programme. Study of the analysis reveals a disturbing high level of correlation between identified threats and Ireland's weakness and a similar poor correlation between opportunities and strengths. Those familiar with strategic planning know that one attempts to devise a plan that avoids such a situation.

## **Second Step: Modify the Decentralisation Programme to optimise national and international impact**

The announcement of the Government's intention to move 8 of the 15 Ministers and their Departments in their entirety from the administrative capital could in some respects be a more challenging and disruptive proposition than moving the whole parliament and central administration to a new administrative capital.

While the proposal is without international precedent and runs counter to international advice and experience this does not necessarily mean it should be dismissed out of hand. Ireland in many of its economic development strategies has ignored conventional wisdom and, from the earliest days of the industrial free zones to its more recent low corporate tax policies, has taken daring initiatives and been successful. However, because the proposal to disperse 8 of the 15 government departments is untried, and appears quite peculiar to many seasoned observers, it is necessary to at least make public whatever analysis and thinking justified the decision. Such information would serve to dissipate concerns while motivating the public servants directly involved to accept whatever personal hardship may arise in the cause of making Ireland a better place.

International experience would suggest that any major relocation programme should seek to optimise national benefits by clustering relocations in either of the following ways:

### **1                   Urban Cluster**

A regional city or group of regional cities as the focal point, and densely relocated organisations forming a strong cluster that would stimulate the emergence of a counterpole to Dublin (as in the UK Northern Way plan).

### **2                   Urban Cluster incorporating a new Administrative Capital**

In this case an urban cluster would be much strengthened by locating a new administrative capital at its heart, housing the Oireachtas, government departments, judiciary and all units that support the policy and strategy-making of central government (as in the Malaysian Multimedia Super Corridor plan).

In both cases at least one significant regional city or grouping of cities forming the backbone is essential. Studies show that regional cities of sufficient scale are the vital driving forces for knowledge-age regional development<sup>9</sup>. Cities that are strong and vibrant and of sufficient scale can support the high-tech infrastructure and attract the essential specialist private sector knowledge-pools in areas such as finance, taxation, venture-capital law, and science that drive the cities and their regional communities.

At present none of Ireland's regional cities are sufficiently developed to compete effectively with Dublin in scale or level of services. Any decentralisation plan should best be directed to

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<sup>9</sup> Porter, Michael. Clusters and the new economics of competition. Harvard Business Review. 1 November 1998.

stimulate the development of regional cities into sophisticated nodes that support knowledge-age enterprise within and throughout their catchment areas. Clusters of towns and villages, no longer sustained by farming, need new visions of the future. They are more likely to prosper as knowledge-age communities if their regional city has the necessary scale and sophistication.

In summary if regional cities are not sufficiently large and sophisticated to attract and support the necessary talent pools their associated regional communities are unlikely to prosper in the knowledge-age.

### **Urban Cluster**

Were invitations invited from prospective host communities a variety of options such as the following would inevitably emerge

1. Athlone, developed as a major new city, as the urban focus with satellite towns such as Mullingar, Tullamore, Birr, Loughrea, Ballinasloe, Roscommon and Longford
2. An urban corridor development along the N20/N18, equivalent to the UK Northern Way with Galway, Limerick and Cork, as the core cities.
3. Waterford/ Wexford as the urban focus with satellite towns such as Dungarvan, Clonmel, Kilkenny and Eniscorthy

While any of the options would have specific special merits it is likely that option No. 2 would be a strong contender: Galway, Clare and Limerick have already come together to form the Atlantic Technology Corridor and a considerable amount of synergy has already developed. A careful clustering of a large proportion of the relocated organisations along such the Atlantic Technology Corridor would inject critical momentum and provide a strong impetus towards the emergence of an effective counterpole to Dublin.

### **Urban Cluster incorporating the Administrative Capital**

An announcement to build a new administrative capital as the focal point of a counterpole to Dublin would be the single act most likely to assure the emergence of a counterpole that would shift the balance of power from Dublin and trigger a wave of new national and international private-sector investment.

Creating a new administrative capital is certainly a major undertaking. There is much precedent to guide such an initiative. In 1800 the United States created a new administrative capital in Washington and since then a succession of countries have followed suit. Some of Asia's most developed and dynamic countries are at present constructing or planning new administrative capitals.

<b>Year of Inauguration</b>	<b>Country</b>	<b>New Administrative Capital</b>	<b>Population <sup>10</sup></b>
1800	USA	Washington	600,000
1927	Australia	Canberra	300,000
1960	Brazil	Brasilia	2,000,000
1966	Pakistan	Islamabad	600,000
2010	Malaysia	Putrajaya <sup>11</sup>	
2015	Japan	Nasu or Abukuma	600,000
2020	Korea	Chungcheong	300,000

### **Malaysia**

Malaysia has caught world attention with its decision to create the Multimedia Super Corridor. As part of the plan the administrative capital is being moved from Kuala Lumpur to Putrajaya: construction of the new city commenced in 1995 and was proclaimed a federal district in 2001.

### **Japan**

Japan has been working on the plan to move its administrative capital from Tokyo for over 10 years. At the outset proposals were invited from candidate sites and these have been reduced to two main contenders, Nasu and Abukuma. The plans involve the development of a city of 600,000 and the movement of the parliament there by 2015 following a ten-year construction period.

### **Korea**

Korea is doing likewise, but with characteristic decisiveness. It was announced last year that the administrative capital will move from Seoul to a new administrative capital in Chungcheong Province. The plan calls for the relocation of the parliament and central government, including some 245 government agencies and 800 research institutes.

### **Ireland**

The thought of moving Ireland's seat of government in its entirety to a new administrative capital is triggered by the Decentralisation Programme plan to move 8 of the 15 government departments... Why not move all of them?

The idea is certainly worth exploring and examining the range of advantages and disadvantages from a national viewpoint.

For example, it is not clear that the effectiveness of government is improved if distanced from the reality of the business life of the commercial capital and placed in an isolated and perhaps artificial environment. Nor is it clear that administrative capitals like Canberra and Brasilia are remarkably successful.

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<sup>10</sup> Existing or planned

<sup>11</sup> Construction started in 1995

But it should not be too hard to demonstrate that the decision to move the administrative capital from Dublin to a regional location would take the pressure off Dublin and be a major driving-force in stimulating the desired counterpole. It would certainly catch the national and international imagination. While preparations to implement the plan could be expected to stretch over at least a decade the announcement would immediately trigger a gravitation of investment and people and organisations from Dublin across the whole spectrum...from service enterprise to embassies.

As elsewhere it would be expected that communities would be invited to make their own case and bid to host the administrative capital.

Athlone, because of its central location would be a contender and offer the prospect of new parliament building and government offices perhaps on the shores of Lough Ree.

The Atlantic Technology Corridor has the potential for creating a western counterbalance to Dublin, as the UK's Northern Way is intended to create a northern counterbalance to London. A new administrative capital composed of a parliament building and an office complex to house Ministers and their Departments, would created the focal point within the corridor, while the adjacent regional cities would be drawn upon to provide much of the core infrastructure. For example were the 600 acre Dromoland Castle estate in County Clare the chosen site for the new parliament complex, a motorway linking Galway/Ennis/Shannon/Limerick would give 30 – 40 minute access to both cities and Shannon in 15. One could envisage associated public offices and embassies being located either within the central government complex, in the adjoining cities or in existing and new towns along the Atlantic Technology Corridor that connects them.

Clearly such an initiative would be a major national undertaking. The Government's challenging Programme for Decentralisation clearly stimulates the proposition. Thorough investigation may demonstrate that it is not desirable from a national perspective, but the idea is worthy of examination and it could emerge as the visionary focus that Ireland needs just now and for the decade ahead.

The observation of the founding president of Cornell University may be relevant:

“Undertake no small projects: they are so difficult to accomplish”

*Ezra Cornell*

#### **SUMMARY OF CONCLUSIONS**

1. The 3 December 2003 Decentralisation Programme is to be welcomed as a signal that the government is determined to address Ireland's major regional disparities.
2. Relocation of a public service unit can act as stimulant for a local community
3. Relocated public service organisations can act as a stimulant for a whole region provided they are not widely dispersed but located in a cluster
4. A dense clustering of relocated organisations around already-strong regional urban centres could help stimulate the creation of a counterpole to the national capital and this approach appears the most likely to provide the optimal national benefits

5. International experience provides convincing evidence that only free-standing public organisations and agencies not directly involved in central government policy-making and strategy should be considered for relocation outside the administrative capital
6. Informal networking, nationally and internationally, is an important part of the policy-making process of central government and those involved should best be located in a compact area where close collaboration and formal and informal networking and easy international travel is facilitated
7. Well-designed programmes of relocation offer the opportunity to radically restructure organisations, introduce new work-practices, reduce staffing levels and achieve efficiencies
8. The Decentralisation Programme is too diffuse and misses the opportunity to tightly cluster organisations to stimulate the development of a counterpole to Dublin while achieving economies of scale and efficiencies
9. The 53 locations selected do not correlate well with the NSS and raise questions about its future
10. A major regional counterbalance could be triggered by an announcement to move government in entirety to a new administrative capital
11. Possible negative factors of such a move must be carefully analysed. For example, the Government's past success in maintaining a pro-enterprise environment might be hindered were it relocated in a somewhat artificial administrative capital distanced from the reality of the commercial capital
12. On balance, moving the parliament, the whole of central government and the judiciary to a new administrative capital appears to offer greater overall benefits to Ireland than dispersing 8 of the 15 ministers and their departments to disparate regional locations
13. Until the fundamental issues relating to the future of the administrative capital are adequately analysed and resolved Ministers, and the policy-making staff of central government, should not be moved from Dublin

## APPENDIX

## SWOT analysis of 3 Dec 2003 Programme of Decentralisation

STRENGTHS	WEAKNESS	OPPORTUNITY	THREATS
Reduces pressure on Dublin infrastructure	Fragments central government	Intensify the move towards 'joined-up-government'	Accession states present threat
Provides opportunity to introduce new work practices and achieve staff reductions	Contrary to international guidance based on experience	Catch international attention a la Malaysia with a new visionary administrative capital at the heart of a west-coast Atlantic Technopolis	Old FDI model faltering
Provides an opportunity to radically restructure those departments that require this	Slows decision-making	Devolve authority to new regional government	Knowledge-age penalises those who cannot take swift decisions
Wins popular support because it appears superficially to address decentralisation	Distances parliament from expert advice	Create a counterpole to Dublin	Jobs moving east...new development model required
Stimulates development in 53 locations, some quite remote	Does not take advantage of the opportunity to stimulate the development of a significant counterpole to Dublin	Strengthen the regional cities	Globalisation penalises those who are not in touch internationally
	Sets back the move towards 'joined-up-government'		
	Raises questions about the viability of the National Spatial Strategy		
	Weakens international networking		
	Reduces economy of scale and increases costs for the tax-payer		
	Makes services less accessible to national public		
	Does not increase devolution of power from the centre		
	Places unnecessary addition travel and communications burden on key people		
	Wastes time of key people		
	Distracts key people		
	Damages corporate memory		
	Inhibits subsequent restructuring of government departments		
	Programme credibility diminished because it appears that the normal analysis and consultation prior to launch was intentionally bypassed by use of the exceptional budget speech mechanism		
	Programme has no published analysis that shows how it improves the effectiveness of government or is of strategic benefit to Ireland as a whole		
	Makes the dominant departments that stay in Dublin even stronger		

