



## **Review of Policy on the Location of Public Sector Jobs**

### **Belfast City Council Written Response**

<b>1.0</b>	<b><u>BACKGROUND</u></b>
1.1	The Council welcomes the opportunity to comment on the ongoing work in Reviewing the Policy on the Location of Public Sector Jobs in Northern Ireland and supports, in principle, Central Government’s intention to create a coherent and integrated Policy which will inform future decisions on the (re)location of public sector jobs within Northern Ireland. Such key decisions will inevitably have a long-term impact upon the future competitiveness and sustainability of both Belfast and Northern Ireland generally.
1.2	The outworking of the Review of Public Administration process will result in a number of public bodies which presently have headquarter premises situated throughout Northern Ireland will ceasing to exist. In relation to, for example, the Health sector, the four Health and Social Services Boards to be replaced by a Regional Public Health Authority and the previous 18 Health Trusts reduced to 5 Health and Social Care Trusts. In education, the four Education and Library authorities will be reduced to a single Education Authority. In addition, the decision to reduce the current twenty-six Councils to eleven will also result in a further rationalisation of the public sector estate.
1.3	The cumulative effects of potential headquarter closures could have a significant detrimental impact on many market towns and cities across Northern Ireland. Therefore, it is vital that a robust and transparent policy framework is put in place to ensure that future location decisions are properly informed.
1.4	Whilst the designation of employment locations will inevitably remain a territorial issue of contention between District Council areas, with each seeking to improve employment and economic opportunities for citizens, due consideration must be given to the strategic impact and sustainability of (re)location decisions for Northern Ireland plc.
1.5	Whilst the Council recognises the need to strengthen regional cohesion, all efforts should be taken to ensure that the strategic significance of Belfast, as both the primary engine for economic growth and regional gateway, as stated within the Regional Development Strategy ‘Shaping Our Future 2025’, is not compromised through future decisions on the location of public sector jobs.
1.6	It should be recognised that the public sector has played a significant role over the last decade in supporting the revitalisation of Belfast and has directly assisted in alleviating the traditionally high levels of unemployment and income poverty experienced within the city. The sector remains one of the city’s main employers.
1.7	Decisions taken by Central Government to decentralise public sector employment from the greater Belfast area must, therefore, be viewed with caution.
1.9	Any dispersal policy should not be framed simply in terms of the demographics of public sector jobs location or the need to transfer jobs outside the Belfast area. Rather a strategic approach is required in terms of the locations selected, the numbers, types and grades of jobs and the functions and business units to be relocated - to maximise the benefits throughout Northern Ireland.
1.10	Prior to any decisions being taken with regard to the (re)location of public sector jobs, an economic impact study should be commissioned to evaluate the regional impact of the decentralisation of public sector jobs within Northern Ireland.
1.11	Consideration needs to be given to the potential longer-term impacts, costs and benefits of any dispersal policy including the social and economic cases for dispersal, the implications for communities and value for money considerations.

1.13	Such a policy should take account of existing strategies for equality, sustainable development and targeting social need.
<b>2.0</b>	<b><u>CURRENT POLICY FRAMEWORK</u></b>
<b>2.1</b>	<b><i>Regional Development Strategy</i></b>
2.1.1	The Council would draw attention to the fact that the Regional Development Strategy identifies Belfast as the dynamic metropolitan core, regional gateway and focal point of the regional strategic transport network. It recognises that the Northern Ireland region as a whole requires a healthy heart and that the Belfast Metropolitan Area, as the largest employment nexus, is the primary engine for the region's growth and prosperity. It further acknowledges that securing a strong and vibrant Capital City and Metropolitan Area is vital to the economic and social well being of Northern Ireland.
2.1.2	Therefore, it follows that any significant decentralisation of jobs from Belfast may have an adverse impact upon not only the economy of Belfast but also on the Northern Ireland economy as a whole. Accordingly, the Council would recommend that prior to any future decisions being taken on the (re)locations of public sector jobs, an economic impact study should be commissioned to evaluate the regional impact of the decentralisation of public sector jobs from the Greater Belfast area.
2.1.3	The Council would note that the Regional Development Strategy sets out a spatial framework for the future growth of the Belfast Metropolitan Area which is underpinned by Strategic Planning Guidance (SPG). The Council would propose that the undernoted SPGs should be taken into consideration as part of the overall policy framework within which future (re)location decisions are based. <ul style="list-style-type: none"> <li>▪ <b>SPG- BMA1: "To create a thriving Metropolitan Area centred on a revitalised city of Belfast" - maintain the role of Belfast City Centre as the primary retail and office location in the Region.</b></li> <li>▪ <b>SPG-BMA2: 'To promote an Urban Renaissance throughout the Belfast Metropolitan Area,' strengthen the role of the BMA as the regional economic driver.</b></li> </ul>
<b>2.2</b>	<b><i>Belfast Metropolitan Area Plan</i></b>
2.2.1	Any future Policy Framework should have regard to the Draft Belfast Metropolitan Area Plan (dBMAP). The central aim of the dBMAP is to strengthen the regional role of the Belfast Metropolitan Area (BMA) as the major gateway to Northern Ireland. Supporting the continued vitality and growth of the BMA would contribute to the continued competitiveness of Northern Ireland.
2.2.2	Due regard should also be given to the Office Study carried out by Colliers CRE as part of the BMAP process and the recommendation put forward that Belfast City Centre should remain the primary office location within Northern Ireland.
2.2.3	Consideration needs to be given to the availability of suitable office accommodation outside of the Greater Belfast area and the current capacity within the office market to accommodate future (re)location decisions.
2.2.4	Traditionally, the Belfast Office Market has been influenced strongly, and at times dominated, by the public sector. This has become less of a feature in recent years and the potential impact of the Government's 'Workplace 2010' Strategy, and associated rationalisation and privatisation of the civil service office estate, may have further adverse implications for the office market.
2.2.5	The service sector and office market are important elements of the Belfast economy and the inclusion of any objectives for even "limited" dispersal of public sector employment or rationalisation of the Civil Service Estate will have implications for the Belfast economy.

2.3	<b>Workplace 2010</b>
2.3.1	Given that Workplace 2010 is at an advanced stage with Central Government entering into contractual agreements, the Council is concerned that the Workplace 2010 programme will have a bearing upon decisions taken on the (re)location of public sector employment.
2.3.2	As over 60% of the 80+ properties being considered under the Workplace 2010 Strategy are located within the greater Belfast area, the Council would seek clarification on the Governments intentions with regard to Workplace 2010 and its potential linkage and impact upon future civil service employment (re)location decisions.
<b>3.0</b>	<b><u>REGIONAL VARIATIONS</u></b>
3.1	The Council would strongly encourage the Review Team to recognise the sub-regional variations which exist within Northern Ireland and acknowledge the role of Belfast as the Capital City and key driver for economic growth and competitiveness within the region. There must be greater clarity about geographical differences within Northern Ireland, recognition of local distinctiveness and the importance of sub-regions.
3.2	There is a need to recognise the critical relationship between the long-term success of Belfast and the success of Northern Ireland Plc.
3.3	Current national UK policy reflects this and recognises the role of cities in contributing to overall regional economic growth. The UK 'Core Cities' agenda <sup>1</sup> highlights the important role of core cities in driving regional competitiveness and growth. Certainly, cities are now high on the UK Government's policy and regeneration agendas and are viewed as assets to the national economy <sup>2</sup> . Across Europe Governments have been intervening to stimulate their urban economies with the assumption that this will support wider national growth.
3.4	By contrast, in Northern Ireland there is little apparent awareness or recognition of the critical relationship between the long-term success of Belfast and the success of Northern Ireland Plc. This view was reinforced within research commissioned by the Council ' <i>Belfast: City-Region Report</i> ' <sup>3</sup> which clearly demonstrated the regional significance of Belfast.
3.5	Cities act as hubs for employment, culture and are, increasingly, the places where people want to live, work and visit. This has been more recently reinforced by work commissioned by the Office of the Deputy Prime Minister (ODPM) comparing the UK's 'Core Cities' to their European equivalents <sup>4</sup> - work that emerged following the Government's major Urban White Paper of 2000, <i>Towards an Urban Renaissance</i> . Certainly, cities are economic drivers with urban-based economic activities accounting for more than 50% of GDP in all countries <sup>5</sup> .
3.6	In an Assembly Adjournment debate on 12 <sup>th</sup> June 2007, the Minister with responsibility for the Department of Finance and Personnel, stated that whilst he was "not unsympathetic to having more public-sector jobs located outside the greater Belfast area", due consideration needs to be given to the importance of the Capital City as a key location.
3.7	In line with the Government's Anti-Poverty Strategy 'Lifetime Opportunities' it is important that all decision-makers ensure that appropriate efforts are taken to address area based deprivation and that Government resources and programmes are targeted at those areas, groups and individuals in greatest objective need.
3.8	It is important to note that despite the level of regeneration activity experienced by Belfast over recent years, there remain concentrations of multiple deprivation within the city characterised by high levels of unemployment and crime, poor health and low educational attainment. Nine of the ten most deprived wards in terms of multiple deprivation within Northern Ireland are located in Belfast and 48% of the city's population is living in the highest levels of deprivation within the region <sup>6</sup> .

<sup>1</sup> <http://www.corecities.com/coreDEV/coreindex.htm>

<sup>2</sup> 'Devolving decision making: Meeting the regional economic challenge: The importance of cities to regional growth', ODPM, 2006

<sup>3</sup> Belfast: City-Region, Regional Forecasts, 2005 - [http://www.belfastcity.gov.uk/stateofthecity/docs/belfast\\_city\\_region.pdf](http://www.belfastcity.gov.uk/stateofthecity/docs/belfast_city_region.pdf)

<sup>4</sup> 'State of The English Cities Report', 2004

<sup>5</sup> A Framework for City-Regions', ODPM, March 2006 - <http://www.communities.gov.uk/index.asp?id=1163567>

<sup>6</sup> The Northern Ireland Multiple Deprivation Measures (MDM), 2005,

3.9	Huge challenges remain for Belfast in addressing effectively the entrenched Inter-generational problems facing those deprived neighbourhoods within the city which remain unresponsive to public sector intervention. There is no doubt that public sector employment has played a key role in helping to alleviate this problem within the city and has provided a route map for many out of poverty. Almost 60% of all public sector jobs are currently located within the greater Belfast area and public sector employment accounts for 39.5% of overall employment within the city <sup>7</sup> .
3.10	Whilst the Council recognises the need to strengthen regional cohesion, all efforts should be taken to ensure that the strategic significance of Belfast is not compromised through future decisions regarding the location of public sector jobs. The Council is not advocating the continued centralisation of public sector jobs within the greater Belfast area but rather seeks to minimise any detrimental impact upon the citizens of Belfast and the regional competitiveness of Northern Ireland of future (re)location decisions regarding public sector employment.
3.11	The emerging policy framework should provide ballast between the need to secure regional cohesion, assist in alleviating deprivation, promote social inclusion and enhance the economic and competitive sustainability of Northern Ireland.
4.0	<b><u>VALUE FOR MONEY CONSIDERATIONS</u></b>
4.1	The Council would advocate the need to undertake a full-economic appraisal of all (re)location proposals for public sector employment, taking account of all associated economic, environmental and social impacts. This means that as well as considering the direct impacts, i.e. relocation costs, the appraisal should also consider the wider impacts on customers, stakeholders and society as a whole. It is important that Government Departments and the wider public sector are fully informed about the social and economic implications of (re)location decisions and that this information is taken into consideration when compiling relevant business cases for the (re)location of public sector functions and employment.
4.2	Relocation decisions must not be arbitrarily introduced to alleviate growing demands from some commentators for the decentralisation of public sector jobs within Northern Ireland. The final decisions on the location of public sector jobs and employment - in terms of the furtherance of equality, social inclusion, regional cohesion and other knock-on effects - must be properly considered. It should bring about real social, economic, environmental and equality benefits throughout Northern Ireland, and not merely displace unemployment.
5.0	<b><u>LEARNING FROM THE EXPERIENCES OF OTHERS</u></b>
5.1	Whilst acknowledging that the conditions in Northern Ireland, in terms of the location of public sector jobs, will differ from elsewhere, the Council, nonetheless, calls for greater consideration to be given to the experiences of other jurisdictions regarding the decentralisation of public sector jobs.
5.2	A recent research paper <sup>8</sup> considered by the NI Assembly on 'the relocation of public sector jobs in England, Scotland and the Republic of Ireland' examined the experiences of these jurisdictions and the potential lessons for Northern Ireland.
	<b><i>Impact of Relocation - Republic of Ireland Experience</i></b>
5.3	The Irish Public Service is currently in the middle of implementing a substantial programme that proposes to move over 10,000 civil and Public Service jobs out of Dublin on a voluntary basis. Within the Irish Public Service system, this is referred to as the 'Decentralisation' programme. It should be noted, however, that this programme does not envisage any devolution or transfer of decision-making functions or authority currently held by Central Government or Departments to Local or Regional Government level, which is traditionally understood as 'decentralisation'. As such, the programme should be understood to mean administrative relocation of staff from the Dublin area.

<sup>7</sup> Belfast Facts and Figures 2006/2007, Belfast City Council

<sup>8</sup> Research Paper 'The Relocation of Public Sector Jobs in England, Scotland and the ROI', 30<sup>th</sup> January 2008

5.4	<p>It was originally intended that most of the administrative relocation programme would be completed by the end of 2007. To date, progress in advancing the programme has been slow, with low levels of up-take for the voluntary programme among senior management. Recent progress reports published by the Decentralisation Implementation Group (DIG) who are overseeing the implementation of the programme have indicated:-</p> <ul style="list-style-type: none"> <li>▪ many of those opting to avail of the programme are staff who had already moved out of Dublin and were working in other locations</li> <li>▪ the majority of moves that have taken place to date are within the Civil, as opposed to the Public Service</li> <li>▪ some departments have experienced significant turnover, particularly those that are relocating in full, with reported turnovers in the region of 90% of staff</li> </ul>
5.5	<p><b><i>Impact of Relocation - Scotland Experience</i></b></p> <p>The main risks attached to the introduction of an affirmative relocation policy within Scotland included:</p> <ul style="list-style-type: none"> <li>▪ disruption in the delivery of services</li> <li>▪ the completed relocations did not appear to have had a significant impact on areas of deprivation</li> </ul>
5.6	<p>Based on an examination of the evidence emerging from decentralisation policies applied in other jurisdictions, it would be irresponsible to suggest that there is a perfect relocation model which could be applied within the Northern Ireland context.</p>
6.0	<p><b><u>EQUALITY AND GOOD RELATIONS</u></b></p>
6.1	<p>Belfast City Council believes that it is incumbent upon all policy-makers and service-delivery agencies to acknowledge the divided context within which we work and deliver our services, in order to contribute in a meaningful way to developing better relations within our society. Therefore, the Council would strongly encourage the Review Team to consider the potential equality issues in relation to the location of public sector jobs and would recommend that a full Equality Impact Assessment (EQIA) should be carried out on any emerging policy.</p>
7.0	<p><b><u>HUMAN RESOURCES AND INDUSTRIAL RELATIONS</u></b></p>
7.1	<p>The Council recognises that there will be complex people management considerations attached to any dispersal decisions and potential social barriers may exist. The Council would recommend that the Review must give detailed consideration to the Human Resource and industrial relations issues in relation to the (re)location of public sector jobs.</p>
7.2	<p>The Council would recommend further that proper account be given to existing legislative and regulatory regimes including employment law and other relevant Government policies and frameworks including, for example, ‘Lifetime Opportunities’.</p>
8.0	<p><b><u>CONCLUSION</u></b></p>
8.1	<p>Whilst the Council would accept the need to both put in place a robust and evidenced-based policy framework which supports more effective decision-making with regard to the future location of public sector jobs and ensure equality and equity across Northern Ireland, it would recommend that such a policy framework needs to take into consideration the regional significance of Belfast and examine the potential longer-term impacts, costs and benefits of any dispersal policy including the social and economic cases for dispersal, the implications for communities and value for money considerations.</p>
8.2	<p>As previously stated, the emerging policy framework should provide ballast between the need to secure regional cohesion, assist in alleviating deprivation, promote social inclusion and enhance the economic and competitive sustainability of Northern Ireland.</p>

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