



## The elected Mayor for Dublin and city-led development

*The recently published Local Government (Dublin Mayor and Regional Authority) Bill 2010 has given rise to much public debate and media attention surrounding the role of the Mayor for Dublin and his, or her, powers. Dr Peter Stafford, freelance economic and business research analyst, examines the influence the office could have on Local Government and policy-making.*

The transformation of Dublin's built environment will be one of the legacies of the Celtic Tiger economy. Both private investment and public money have been pumped into areas of the city such as Temple Bar, the Digital Hub, the IFSC, and almost every suburb across all Dublin counties has seen rapid change. At the height of its development, Greater Dublin was one of the wealthiest cities in Europe. In 2002, it was properly recognised by the Globalisation and World Cities Network as an "emerging global city" taking its place amongst the financial, cultural and business centres of the world.<sup>vi</sup>

As Dublin became an important European and global city, land values increased enormously and small plots of city real estate were changing hands at ever larger values. At the same time, the fringes of the city grew so that by 2010 it is possible to see the northern tentacles of Dublin's influence in the outskirts of Newry. The growth of Dublin has challenged the role of central, regional and local government in Ireland. The creation of a Mayor for Dublin is an attempt by Government to restore a proper policy-making forum to cope with these new challenges.

The Local Government (Dublin Mayor and Regional Authority) Bill 2010 (when enacted) will form the Dublin Regional Authority (DRA) with a newly-elected Mayor as its head. It is likely that the first mayoral election will take place in late 2010 and every four years thereafter. The Dublin Regional Authority will have 16 members including the Mayor. The other 15 members of the authority will be appointed by the four Dublin local authorities (ie. Dublin City, Dun Laoghaire-Rathdown, South Dublin, Fingal). The Mayor and the Authority will have responsibility for transport, planning and waste management across the four Dublin local authorities, on a similar basis to the London mayor and assembly.

The impact of the four local authorities' weakness in co-ordinating land use in urban areas only really came to light when the Greater Dublin region began to grow so rapidly, fuelled in part by the rapid increases in development contribution income and a weak regulatory process. As Dr Paula Russell suggested in a 2001 article, "local authorities acted as facilitators and enablers of private sector development, rather than as the key drivers or implementing agencies of urban renewal."<sup>ii</sup> According to John Gormley, the Minister for the Environment, Heritage and Local Government, the traditional weakness of the city council in driving and implementing urban renewal will soon change with the creation of legislation to introduce a Dublin Mayor:

*"The planned directly elected Mayor for Dublin will first achieve a mandate for his or her vision for the city and will then be able to go about implementing it, even if central government is not too happy about it."<sup>iii</sup>*

In a 2006 report on the growth of Greater Dublin as a city-region, edited by Prof Sir Peter Hall of University College London, I argued that institutional deficiencies in Dublin local government meant that regional co-ordination of planning issues was

impossible. Regional Planning Guidelines were implemented by each local authority as they saw fit, with very little regional oversight.<sup>iv</sup> Meanwhile, policy on land use, transportation and environmental affairs were set at national level. In other European cities, local and regional government worked closer together, with smaller city-level development supporting the broader aims of regional development.

In an Opinion piece in the Irish Times, Environment Minister John Gormley noted that Ireland has always enjoyed its local government weakness. This is not strictly true. Ireland has a very centralised form of decision making, but officials within local government enjoy enormous amounts of power. The weakness, it can be argued, lies with the relative powerlessness of the elected element of Irish local government, and with regional government which was deliberately kept weak so not to threaten county autonomy or central government power.

During the enormous development of the city in the last decades, Dublin City Council has played a marginal role in urban regeneration. In a 2004 report on the politics of urban renewal in Dublin, my colleague Diane Payne and myself found that regeneration activity had been successful despite the absence of a strong, democratic system of local metropolitan governance:

*Whilst by-passing local and regional authorities in Ireland, working partnerships have been formed instead between Ireland's central government 'lead' departments ... arm's length agencies or quangos, the social partners, including business interests, trade unions and farmers, and micro-level groups at the community level, thereby satisfying the European Commission's demand for broad participation and consultation."*

In this mix of actors, the City Council simply did not have a role to play. The flexible and influential nature of the Department of the Taoiseach has traditionally meant that urban regeneration projects with no natural government departmental home can be "incubated" by the Taoiseach's Department until developed enough to be given a more permanent home in one of the government departments.

Note that the project was not handed to the local authority, but rather a national government department, or an arm's length agency within the auspices of a government department. The questions for the new elected Mayor for Dublin must be about what this new role can do to bring the local level government back into policy-making.

As ever in issues of local government and planning, it is vital to follow the flow of money to understand motivation for policy decisions. Irish local government has long relied on development contribution schemes, levied in new development, as a source of income. Indeed, a quick analysis of the income received by local government from development tells an interesting story about the



growth and collapse of private sector development. In 1994, total development contribution income for Irish local authorities was €26m. Eleven years later, by 2005, income had grown to €519m. Latest estimates by Chambers Ireland suggest that in 2009, income levels had collapsed (relatively speaking) to €133m, and as private development continues to fall, local authority income will fall with it.

Development contribution income is pro-cyclical. As economic activity increases, so local authority coffers are filled; as development falls, so local authorities are left without an important supply of income with which to fund local services. Throughout the debate on the role of the elected Mayor for Dublin it will be vital to understand the exact budgetary power this new office will have. In politics, the controller of finances is often far more powerful than the maker of policy, and as Irish local authorities are extremely reliant on development contribution income, new sources of revenue for the city authorities will be needed.

One of the first tasks the Mayor faces will be how to shape private development in the city. Dublin is strong enough to attract development but its city government has not traditionally been strong enough to prevent or shape it. By bringing together the county and city councils within the Greater Dublin area, the Mayor for Dublin should be given sufficient power to force development into its blueprint for planning, rather than passively approve it.

In a period of lower levels of development, the City Council – like all local authorities – faces a crisis of funding. The temptation for local authorities in the future will be to either (a) try to recoup the decline in development contribution income by levying ever greater charges on the small amount of activity which does take place or (b) reduce the entry requirements for development and attract new development for the sake of income rather than on its merit. Neither solution will work, and neither is it desirable for the sustainability of the city region. Private sector development must be seen as a means by which the aims of the city and regional development plans are fulfilled rather than just a source of income.

It is undoubtedly to be welcomed that the Mayor will have strong policy-making and implementing abilities, but according to Gormley,

*“the new Mayor of Dublin will not need his or her own budget. The four Dublin local authorities already have a combined budget of €1.5 billion, not counting capital expenditure of a further €1.5 billion.”*

A significant area of concern for the Mayor will be to ensure that budget is not eroded as the economy dips, and manage any introduction of new taxes which may affect businesses and citizens of Dublin.

Rather than having a separate budget, the power of the Mayor will come from chairing many of the city-wide policy committees. The text of the draft legislation is quite vague in places and it certainly seems to be the case that the personality of the

incumbent will shape the office quite dramatically. Committees covering policy areas for the whole city region, including land use, transport, housing and education, will be chaired by the Mayor. Bringing policy areas under one committee should remove much of the duplication of administration which undoubtedly exists across each local authority, and give a range of cross-sectoral city-wide policy for citizens who work, live, socialise and commute across the counties every day. It makes little sense for policy areas to stop at county boundaries when citizens’ lives don’t take them into account.

Creating a Mayoralty with a sphere of influence to cover all major policy areas, will undoubtedly have an enormous impact on the role the city authority can play on shaping urban regeneration, property and development, and land use planning. In the past, as this article has noted, the local government was often a passive spectator as national government, the private sector and sub-city interest groups planned, funded and built the new city which emerged with the Celtic Tiger economy.

The election of Dublin’s Mayor will be a fascinating one. Like the London mayoral elections, it will undoubtedly be dominated by personalities and it is highly likely the person elected will be some sort of celebrity. Already names are circulating of people who would be likely contenders for the post – politicians, sports personalities, media stars or single-issue activists. This is the first time the people of Dublin – all 1.2 million of them – have had a chance to debate and discuss how they want their city to develop, and it is also the first time that Dublin has truly had an ambassador to champion the city’s cause in Ireland and around the world.

Dublin has changed enormously since local government was last re-structured in Ireland, and the creation of the Mayor is an opportunity to recognise these changes, as well as remedying some of the deficiencies in Dublin-level government to cope with its changing role. Everyone in the Dublin property sector will need to watch as the legislation develops and the campaign gets underway to fully understand the real impact this very powerful person will have on the network of people who shape and influence the future development of the city. ♦

For more information on Dr. Peter Stafford – <http://peterstafford.ie>

## REFERENCES

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- <sup>iii</sup> Gormley, J. “Dublin Mayor will have genuine policy powers” (Opinion: Irish Times, 2 March 2010)
- <sup>iv</sup> Peter Hall et al (2006) “The Polycentric Metropolis: Learning from mega-city regions in Europe” (London: earthscan)
- <sup>v</sup> Payne, D and Stafford, P (2004) *The Politics of Urban Renewal in Dublin* (UCD: ISSC Discussion Paper Series)