

Monday,  
18 January 1999

**THE NEW  
NORTHERN IRELAND  
ASSEMBLY**

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Matters referred by the Secretary of State

**REPORT FROM THE  
FIRST MINISTER (DESIGNATE) AND  
DEPUTY FIRST MINISTER (DESIGNATE)**

Report No: NNIA 6

ISSUES REFERRED TO THE ASSEMBLY BY THE SECRETARY OF STATE  
REPORT BY THE FIRST MINISTER (DESIGNATE) AND DEPUTY FIRST  
MINISTER (DESIGNATE)

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# MATTERS REFERRED TO THE ASSEMBLY BY THE SECRETARY OF STATE: REPORT BY THE FIRST MINISTER (DESIGNATE) AND DEPUTY FIRST MINISTER (DESIGNATE)

## 1. INTRODUCTION

1.1 On 1 July 1998 the New Northern Ireland Assembly (the Assembly) resolved that we should consider certain matters referred to it by the Secretary of State, make proposals on those matters and report. This report represents our further response to the resolution, following our Interim Report to the Assembly on 14 September 1998. It also takes account of the Assembly's resolution of 15 December 1998.

1.2 The matters on which we have been asked to bring forward proposals are:

- agreement on the number of Ministerial posts and the distribution of executive responsibilities between those posts;
- preparations for establishing the North/South Ministerial Council and associated matters for co-operation and implementation;
- preparations for the establishment of the British Irish Council; and
- the establishment of the consultative Civic Forum.

## 2. CONSULTATION

2.1 In our Interim Report on 14 September 1998 we indicated that we would reflect carefully on the round-table and bilateral meetings which we had had with the Assembly Parties, on the debate in the Assembly and on further material which we anticipated receiving. Thereafter, we would consider how best to make progress and would report further to the Assembly in due course.

- 2.2 On 26 October 1998, we announced in a joint statement to the Assembly our intention to initiate a further round of intensive consultations with the Parties on the same basis as previously. On 28 October, we circulated working papers on Departmental structures and North/South co-operation, reflecting our joint understanding of the Parties' positions on these matters as expressed orally and/or in writing. We are very grateful to officials in various Departments, to the Head of the Civil Service and to officials in our own support team for their work in preparing this material, and indeed for their assistance throughout the consultation process.
- 2.3 We met in round-table format with representatives of six Parties - the UUP, the SDLP, Sinn Fein, Alliance, PUP and the NIWC - on 29 October. It is a matter of regret to us that the remaining 3 Parties - the DUP, UKUP and UUAP - declined the opportunity to attend. However, we received written observations dated 27 October 1998 from the DUP, and we had bilateral meetings with representatives of that Party and also with the UKUP and UUAP on 2 November.
- 2.4 Following the 29 October meeting, we had several more round-table sessions with the six participating Parties - three on 2 November (one of which included the Taoiseach and representatives of the Irish Government) and one each on 6 November, 12 November and 17 November - during which further papers from the Parties and officials were considered.
- 2.5 In addition, between 3 November and 9 November 1998 there were 2 meetings of a smaller, sub-group of the main round-table discussions which had been asked to look at a particular aspect of Departmental structures relating to employment, training and education; and since 30 November there have been six meetings of another group looking at matters relating to the consultative Civic Forum (see Section 6), on which we have had a considerable volume of correspondence from a range of organisations and individuals.

- 2.6 The multilateral discussions led to an intensive round of exchanges between us, with the support of senior colleagues and in consultation with the British and Irish Governments, in the second half of November and first half of December (see Annex 1). Indeed, throughout the course of the consultation process with the Parties, the Prime Minister and the Taoiseach have been directly and indirectly involved in an effort to be of assistance. On Monday 2 November, as we have already noted, the Taoiseach Mr Bertie Ahern and Ministers Mr David Andrews and Ms Liz O'Donnell met in Parliament Buildings in a round-table format with representatives from six of the Assembly Parties. The Taoiseach and his colleagues then met those Parties in a series of bilaterals. This proved to be a useful opportunity for Parties to focus on suitable areas for North/South co-operation within existing mechanisms and areas for North/South implementation bodies.
- 2.7 On Thursday 26 November and again on Wednesday 2 December the Prime Minister travelled to Stormont to meet with the Parties. As members will be aware, the Wednesday 2 December visit involved the Prime Minister in several hours of discussion on matters related to North/South bodies and Departmental structures, during which significant headway was made.
- 2.8 The exchanges in the second half of November and first half of December, supplemented with bilateral meetings which we had separately with a number of the Parties, culminated in an agreement on Departmental structures and North/South co-operation on 18 December. We issued a detailed statement outlining the agreement later that day.
- 2.9 We deal with these and the other matters referred to us immediately below (section 3). In the meantime, we have recorded above the work undertaken since our Interim Report of 14 September as evidence of our determination that we would have a genuinely open and transparent process of consultation with all of the Parties and that the complex issues involved would be given the fullest possible consideration.

### 3. DEPARTMENTAL STRUCTURES

3.1 We have agreed that there should be an Office of the First Minister and Deputy First Minister and ten Departments which taken together will be responsible for the work of the current six Northern Ireland Departments. The new Departments and the corresponding Ministerial offices will be:

- Agriculture and Rural Development
- Environment
- Regional Development
- Social Development
- Education
- Higher and Further Education, Training and Employment
- Enterprise, Trade and Investment
- Culture, Arts and Leisure
- Health, Social Services and Public Safety
- Finance and Personnel.

3.2 A summary of the main functions within each portfolio as agreed on 18 December 1998 is set out in Annex 2. Decisions remain to be taken on the location of a limited number of functions. A comprehensive determination of functions will be completed and incorporated within our final report.

3.3 We have further agreed that, in addition to a number of key central functions, the Office of the First Minister and Deputy First Minister, for which separate provision is made in the Northern Ireland Act 1998, should have an Economic Policy Unit and special responsibility for Equality. A summary of the Office's functions is also contained in Annex 2. A description of the Economic Policy Unit is set out in Annex 3.

- 3.4 We had to make a balanced judgement on these matters having considered the views presented to us by Parties and the advice provided by officials on the various permutations on Departmental structures. We have been encouraged by the broad support expressed following our 18 December statement.
- 3.5 Arguments were advanced for different Departmental designations. On balance, however, we believe that the model we have agreed upon provides a portfolio of Departments which are broadly balanced and offer a solid basis on which to build and deliver appropriate policies and programmes. When they are established the associated Assembly Committees will provide ample opportunity for Assembly members to be directly involved in and to contribute to the work of government in Northern Ireland.
- 3.6 Turning briefly to the functions designated to the Office of the First Minister and Deputy First Minister, most Parties acknowledged that there are a number of functions which are most appropriately placed in the Office of the First Minister and Deputy First Minister. We gave careful consideration to some Parties' concern to establish a separate Department of Equality but we concluded that this important function, given its cross-Departmental nature, would be best placed from a strategic point of view in the Office of the First Minister and Deputy First Minister. We are convinced that this arrangement will ensure the coherence and co-ordination required to promote Equality across all aspects of government.
- 3.7 It is now our clear intention, having agreed upon the architecture of Departments, to move with urgency in seeking to address the social, economic and cultural challenges facing the whole community. We want to agree upon and implement a programme for government that will succeed in delivering efficient, accountable, transparent government and enable us to achieve economic growth and development, the benefits of which will be shared throughout the entire community. We want to address the needs of the most vulnerable and disadvantaged; we want to imbue the community with a sense of enterprise and self-reliance; we want to tackle educational disadvantage and fully utilise the human capital of our people; we want to put behind us the tragic years of

trauma and separation by providing the best possible form and programme of government. The set of proposals on Departmental structures which we commend to the Assembly signal our clear determination to provide leadership and momentum.

#### 4. NORTH/SOUTH CO-OPERATION

4.1 Following consultation with the British and Irish Governments, we have identified the following six areas as suitable for co-operation through existing bodies:

- Transport
- Agriculture
- Education
- Health
- Environment
- Tourism.

4.2 Annex 4 provides a fuller description of those aspects where we believe co-operation between North and South should take place.

4.3 In addition, we have identified six areas as suitable for the establishment of implementation bodies, as follows:

- Inland Waterways
- Food Safety
- Trade and Business Development
- Special EU Programmes
- Language (Irish and Ulster Scots)
- Aquaculture and Marine Matters.

4.4 The functions of these bodies are summarised in Annex 5.



- 4.5 The areas for co-operation and implementation are, we believe, suitable for consideration by the North/South Ministerial Council when it is formed.

## 5. BRITISH-IRISH COUNCIL

- 5.1 In our Interim Report on 14 September 1998, we noted that the British and Irish Governments were in the lead in taking forward arrangements for establishing the Council, including its method of working, and other practical details for the inaugural meeting. We subsequently sought a progress report on developments for our further round of consultations with the Parties towards the end of October.
- 5.2 The progress report indicated that the first meeting of the Council will take place in London at approximately the same time as the first meeting of the North/South Ministerial Council. This will of course be subject to confirmation by all of the Council members concerned.
- 5.3 The progress report also confirmed that a draft Memorandum of Understanding and a draft paper on Procedural Guidance were under consideration by the British and Irish Governments. The former is an international instrument which will be made by the two Governments in order to bring the Council into being; the latter contains ideas on how the Council might operate. Copies of the latest versions were enclosed with the progress report and comments were invited. In the meantime, work on the drafts by the two Governments is continuing.
- 5.4 In our subsequent discussion with the Parties, it was agreed that each would respond separately to the request in the progress report for comments. Meanwhile, we also noted from the progress report that the two Governments were working together on suggestions for a work programme for the Council and that this would be made available for comment in due course.

5.5 Since then, we understand that the Secretary of State has held meetings with the Secretaries of State for Scotland and Wales, and with the Minister of State at the Department of the Environment, Transport and the Regions. Those Ministers have discussed preparations for the establishment of the Council and have announced an intention to meet again soon to discuss topics which could be proposed for consideration at Council meetings. Separately, the Irish Government has opened new Consulates-General in Scotland and Wales which are active in preparations for the British Irish Council; and both the Taoiseach and the Minister for Foreign Affairs have visited Edinburgh and held discussions with the Secretary of State for Scotland. As already noted, the two Governments intend to bring forward ideas for a work programme as soon as possible. In the meantime, if the Parties have specific ideas which they would like to suggest for discussion in the Council, it would be helpful if they could make these known.

5.6 On a broader front, it is satisfying to note that there is a growing, wider interest in what the Council will mean for these islands. The Council was the subject of a conference, organised by Encounter, in the first week in December. That conference was attended, amongst others, by representatives of the two Governments and some members of this Assembly. We are sure that all members will agree that it is an encouraging sign that there is this type of interest in the new institutions established under the Agreement.

5.7 We will continue to consult with the Parties on the various matters to be considered on the establishment of the British-Irish Council with a view to incorporating proposals in our final report.

## **6. CIVIC FORUM**

6.1 We welcome the range of views on the consultative Civic Forum which organisations and individuals throughout the community have expressed in written submissions to us. Indeed, we have received considerably more correspondence on this topic than any other matter referred to us.

- CONCLUSIONS
- 6.2 A composite set of all the submissions was issued to each of the Party leaders on 11 November and has since been supplemented as further submissions have arrived. A synopsis of the views expressed has also been issued as part of the consultation process with the Parties.
- 6.3 Emerging from the round-table discussions with the Parties, it was decided to establish a study group to prepare a report advising us on the steps that should be taken to establish the consultative Civic Forum. The study group met a total of six times between 30 November 1998 and 15 January 1999. We understand that during its deliberations the group has considered research material on other civic forums in addition to papers by officials, individual Parties and the comprehensive set of external submissions.
- 6.4 We expect to receive the study group's report shortly and we shall wish to give it careful consideration, following which we will bring forward proposals to the Assembly in our final report.

Mr. Noel David Trimble MP

Seamus Mallon MP

18 January 1999

## 7. CONCLUSION

7.1 We commend this report to the Assembly. We will produce a final report in response to the 1 July resolution incorporating:

a. our comprehensive determination of the number of Ministerial offices to be held by Northern Ireland Ministers and the functions which would be exercisable by the holder of each such office after the appointed day;

b. further proposals in relation to establishing:

- i. the North-South Ministerial Council
- ii. the British-Irish Council
- iii. the consultative Civic Forum.

7.2 The report and the associated procedural motions will be submitted to the Assembly for 15 February 1999, in order to facilitate devolution by 10 March 1999.

**Rt Hon David Trimble MP**

18 January 1999

**Seamus Mallon MP**

## FURTHER CONSULTATION WITH PARTIES: CHRONOLOGY

- Monday, 26 October 1998** Letter issued to all Party Leaders by the First Minister (Designate) and Deputy First Minister (Designate) inviting them to nominate two representatives each to engage in a further round of intensive consultations.
- Wednesday, 28 October 1998:** Working papers issued on Departmental structures North/South co-operation.
- Thursday, 29 October 1998:** Round-table discussions with UUP, SDLP, Sinn Fein, Alliance, NI Women's Coalition, PUP (6 Parties).
- Monday, 2 November 1998:** 3 separate round-table discussions with 6 Parties, one of which included the Taoiseach and other representatives of the Irish Government.
- Monday, 2 November 1998:** Bilaterals with  
 DUP  
 UUAP  
 UKUP
- Friday, 6 November 1998:** Round-table discussions with 6 Parties.
- Thursday, 12 November 1998:** Round-table discussions with 6 Parties.
- Thursday, 17 November 1998:** Round-table discussions with 6 Parties.
- Thursday, 26 November 1998:** Joint and separate discussions with the Prime Minister; separate bilateral discussions between the Parties and the Prime Minister.
- Wednesday, 2 November 1998:** Joint and separate discussions with the Prime Minister; separate bilateral discussions between the Parties and the Prime Minister.

## MINISTERIAL PORTFOLIOS AND FUNCTIONS AS AGREED ON 18 DECEMBER 1998

### Office of the First Minister and Deputy First Minister

Economic Policy Unit (see Annex 3)  
Equality

Other central functions (within the Secretariat of the Executive Committee):

Liaison with NSMC  
Liaison with BIC  
Liaison with Civic Forum  
Liaison with Secretary of State on reserved and excepted matters  
European affairs and international matters  
Policy Innovation Unit  
Liaison with IFI  
Information Services  
Community Relations

#### 1. Agriculture and Rural Development

Food, Farming and Environmental Policy  
Agri-Food Development  
Science  
Veterinary  
Rural Development  
Forestry  
Sea Fisheries

#### 2. Environment

Planning Control  
Environment and Heritage  
Protection of the Countryside  
Waste Management  
Pollution Control  
Wildlife Protection  
Local Government  
Sustainable Development  
Mineral Resources  
Driver & Vehicle Testing Agency  
Driver & Vehicle Licensing Agency

3. **Regional Development**

Transport Planning  
Roads Service  
Rail  
Ports and Airports  
Energy  
Water  
Strategic Planning

4. **Social Development**

Housing Policy  
NI Housing Executive  
Urban Renewal  
Community Sector  
Laganside Corporation  
NI Construction Industry Advisory Council  
Rent Assessment Panel  
NI Building Regulations Advisory Committee  
Housing Benefit Review Boards  
Social Security Agency

5. **Education**

Schools Funding and Administration  
Teachers and Special Education  
School Effectiveness  
School Planning and Provision  
Schools Inspectorate  
Nursery Education  
Youth Service

6. **Higher and Further Education, Training and Employment**

Higher Education  
Further Education  
Vocational Training  
Employment Services  
Employment Law and Labour Relations

7. **Enterprise, Trade and Investment**

- Economic Development Policy
- Industry (IDB, LEDU)
- Research and Development (IRTU)
- Tourism
- Health and Safety Executive
- Company Regulation
- Consumer Affairs

8. **Culture, Arts and Leisure**

- Arts and Culture
- Sport and Leisure
- Libraries
- Museums
- Visitor Amenities and Services
- Ulster Historical Foundation
- Inland Waterways
- Inland Fisheries
- Ordnance Survey
- Public Record Office
- Language Policy

9. **Health, Social Services and Public Safety**

- Health
- Social Services
- Public Health and Safety
- Health Promotion
- Fire Authority

10. **Finance and Personnel**

- Finance
- Personnel
- IT and Common Services
- Accommodation
- Legal Services
- NI Statistics and Research Agency
- Land Registry of NI
- Rates Collection Agency



**OFFICE OF THE FIRST MINISTER AND DEPUTY FIRST MINISTER  
ECONOMIC POLICY UNIT**

1. To support the FM/DFM, and through them the Executive Committee as a whole, in their strategic role and responsibilities for the formulation, co-ordination and management of the policies of the new Administration.
2. The Unit will assist the FM/DFM in:
  - ♦ undertaking, together with the responsible NI Minister and the Secretary of State, negotiations with HM Treasury on the size of the NI Block grant and on EU and IFI funding;
  - ♦ determining, within the Executive Committee, the Administration's detailed strategic goals and inputting them to the Programme of Government and the allocation of financial resources;\*
  - ♦ arbitrating on competing funding demands and making final determinations thereon;
  - ♦ co-ordinating the Executive's economic policies and monitoring the effectiveness of public spending in achieving the Administration's economic goals, including responsibility for the Economic and Social Steering Groups;
  - ♦ co-ordinating EU policy and reviewing the progress and effectiveness of EU and IFI funds;
  - ♦ overseeing the development of joint financing of public expenditure, including the Private Finance Initiative;\*

- ♦ monitoring the financial implications of legislation passed in the NI Assembly, at Westminster and by the EU.

3. Under the authority of the FM/DFM, the Unit will be responsible for:

- ♦ providing central initiatives, eg, the analogue to the PM's new Performance and Innovation Unit in the Cabinet Office;
- ♦ improving the effectiveness of management within Government through overseeing and co-ordinating the Administration's financial management information and regulatory policies; by developing and applying performance measures and co-ordinating mechanisms; promoting the organisational and cultural change required to deliver the new Administration's strategic agenda; and including responsibility for the Public Service Office, and for the Continuous Improvement Programme;\*
- ♦ evaluating the effectiveness of programmes, policies and procedures of Departments, Boards and Agencies.\*

\*In these cases the Unit will work in conjunction with the Minister for Finance and Personnel.

**NORTH/SOUTH CO-OPERATION  
AREAS IDENTIFIED FOR CO-OPERATION  
USING EXISTING BODIES**

In accordance with paragraphs 8 and 9(i) of Strand Two of the Agreement, at least six matters are to be identified and agreed for co-operation through the mechanism of existing bodies in each separate jurisdiction.

The matters below have been identified as suitable for initial consideration by the NSMC in this regard. It would be open to the NSMC, by agreement between the two sides, to consider other matters.

**1. Transport**

Strategic planning and development of cross-border co-operation in transport: while co-operation would primarily arise in respect of road and rail planning, it would take account of issues arising in the port and airport sectors; road and rail safety.

**2. Agriculture**

Discussion of CAP issues; Animal and Plant Health Policy and Research; Rural Development.

**3. Education**

Education for Children with Special Needs (eg autism, hearing impairment); Educational Underachievement; Teacher Qualifications; School, Youth and Teacher Exchanges.

#### 4. Health

Accident and emergency planning; co-operation on high technology equipment; cancer research; health promotion.

#### 5. Environment

Research into environmental protection; water quality management and waste management in cross-border context.

#### 6. Tourism

A publicly-owned limited company will be established by Bord Failte and the Northern Ireland Tourist Board to provide the following services:

- ♦ planning and delivering international tourism marketing programmes, including programmes in partnership with the industry North and South;
- ♦ publication and dissemination in overseas markets of information of a balanced and comprehensive nature on the island of Ireland as a tourist destination which must reflect the diverse traditions, forms of cultural expression, and identities within the island;
- ♦ market research, provision of information and other appropriate assistance to help the industry develop international marketing expertise;
- ♦ co-operation with, consulting, and assisting other bodies or associations in carrying out such activities;
- ♦ carrying out surveys and collecting relevant statistics and information.

The new company would subsume the existing Overseas Tourism Marketing Initiative. It would carry out overseas marketing and promotion activity for Bord Failte and the Northern Ireland Tourist Board, and would establish overseas offices for that purpose.

The company's Articles of Association and Memorandum, which would establish its overall strategic objectives, would be agreed by the two administrations.

The board of the new company would be appointed by the two administrations after consultation with the existing tourist boards and relevant industry interests and with their involvement.

The operations of the new company would be monitored by the existing tourist boards, and by the relevant Northern Ireland and Irish Government Ministers meeting as appropriate under the auspices of the NSMC.

The Northern Ireland Tourist Board would continue to have access to the services of the British Tourist Authority. There would be clear guidance to the company that its promotional efforts should take account of the need to develop tourism in Northern Ireland against the background of the particular problems faced by the industry there over the past thirty years.