

27 February 2012

Mr. Ted McEnery  
Clerk of the Committee of Public Accounts  
Houses of the Oireachtas  
Leinster House  
Kildare Street  
Dublin 2



Dear Mr McEnery

I refer to matters arising from my appearance before the Committee on 8<sup>th</sup> December, 2011. I am pleased to provide the information you requested as follows:

### 1. Details of 2012 retirements notified and projected across all areas of the Civil and Public Service

The bulk of retirements in 2012 will occur in the first two months of the year.

#### (a) Civil Service

Almost 1,200 staff have notified their intention to retire in 2012. An analysis by Department/Office is shown at Appendix 1. This number is not final and may change.

#### (b) Public Service

In excess of 6,000 applications have been received from the wider Public Service. The sectoral breakdown of this number is as follows:

Health	2,506
Education Sector	2,000
Local Authorities	931
Defence Forces	362
Gardaí	310
<b>Total</b>	<b>6,109</b>

### 2. Cash Balances held at State Agencies

Deputy O'Donnell asked that we review the level of cash balances held in state agencies with a view to ensuring that both the borrowing requirement and the cost to the State of such balances is minimised.

We are in the process of circularising State Agencies (excluding the commercial semi-state bodies) to collate information regarding their cash balances position at the end of December. This is a lengthy exercise and the information will be sent to the Committee under separate cover. However, the Committee will appreciate that this is a “point in time” exercise for indicative purposes and that these balances will fluctuate.

In terms of the management of these balances, and the minimising of costs to the State, I can confirm that the National Procurement Service is currently preparing a memorandum for Government in this area. This is a major project but the NPS has concluded that there is a strong case for pursuing this project.

### **3. Miscellaneous Appropriations-in-Aid Vote 7**

The Committee queried why there was such a large decrease in miscellaneous Appropriations-in-Aid between 2009 and 2010. The nature of this miscellaneous subhead is that receipts are unpredictable and will vary from year to year. Details same, together with a comparison of 2009 to 2010, is shown at Appendix 2.

### **4. Sick leave and Absenteeism rates across the Civil and Public Service**

This information is set out at Appendix 3. Please also see clarification at paragraph 10.

### **5. Fees for members of State Boards**

The Chairman had suggested that the Department write to Board Members requesting that they give consideration to waiving their entitlement to fees for serving on these Boards.

I can confirm that parent Departments have been requested to formally advise state bodies under their aegis that protocols should be put in place to allow serving and future board members the option to waive the board fee on a discretionary basis.

### **6. Perform a full audit of the regulatory environment**

Successful regulatory reform involves enhancing the effectiveness of sectoral and economic regulation, and reducing and streamlining the bureaucratic footprint of the State where it unnecessarily hinders businesses and innovation. It is my view that responsibility for the former lies with relevant sectoral departments, while responsibility for the latter rests with the Department of Jobs, Enterprise and Innovation, in the first instance. I have raised the matter with the relevant Department.

### **7. Select one frontline Department and apply an NSAI standard measurement**

The establishment of my Department is a measure of the Government’s commitment to the improvement of services in terms of both quality of delivery and economical



use of resources. To this end, the Reform Agenda contains proposals that will impact across many areas of Public Service.

The Chairman referred specifically to the use of proven NSAI measures. Already, Revenue has attained these standards in the areas of Information Security (achieving ISO 27001 in February 2010) and BS 25999 (Business Continuity Management) in December 2010.

With regard to the more traditional “customer service” type standards, we have finalised the **Revised Guidelines on the preparation of Customer Charters**. Public Bodies will now be asked to update their Customer Charters in line with their Statement of Strategy and the implementation of these charters will be monitored by the Quality of Customer Services Officers Network.

## **8. Rationalisation of State Agencies**

I enclose herewith two replies to recent Parliamentary Questions which set out the current position in relation to this area (Appendix 4).

## **9. Fishery Harbour Centres and OPW management of same**

Two matters arose in this area:

- (a) Management of the Fishery Harbour Centre properties; and
- (b) Rent collection.

Issues related to improving rent collection in Fishery Harbour Centres will be discussed with the Department of Agriculture, Fisheries and Food and will also be considered in the general context of part 6 of the Government’s Public Sector Reform Plan dealing with Property Asset Management. In addition, as stated by the Minister for Public Expenditure and Reform on Thursday, 15 December 2011 in response to question 144 from Deputy Willie Penrose, the question of putting in place a policy in relation to rents receivable by Government Departments and associated bodies on the lines adopted by NAMA is under consideration in my Department in consultation with potentially affected Departments.

## **10. Accrued Pension Liabilities**

During the course of the meeting the C&AG referred to the State’s Accrued Pension Liability and suggested that there might be merit in producing an updated calculation to take account of changes introduced in the Pensions area. This exercise was previously carried out by the C&AG’s office and it is our intention to liaise with him to agree the best approach for updating the calculation.

## **11. Other matters**

In addition to the above I would like to clarify a number of items in the transcript:

- (a) In relation to staff moves and terms and conditions of employment: when the move is between sectors, including the State Agency sector, the position under

the Croke Park Agreement regarding terms and conditions is that “staff moving ... will do so on no less favourable terms and conditions in relation to basic pay and pension”. (paras 1.7 and 6.4.4 (vi) refer).

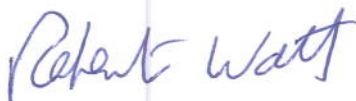
- (b) Sick leave: The current sick leave arrangements for the civil service provide for 7 uncertified sick days in a rolling twelve month period. It is policy that repeated short term absences should be monitored by local management with the support of Personnel Unit. In general, a sick leave review meeting should be held in every case where an officer's absence rate or pattern is of concern, whether the absences are certified or uncertified.

On a final general note I would like to reiterate my Department's commitment to formulate and promote policies which drive efficiency, effectiveness and reform across the public service and to manage public expenditure at more sustainable levels. Already, my Department has made significant progress with the implementation of the recommendations of the Special Group on Public Service Numbers and Expenditure.

The Special Group made 289 recommendations which involved savings of some €5.3 billion in full year terms, with €5.1 billion current savings and the remainder capital. Most of these recommendations have, I understand, been implemented in whole or in part, and Deputies will be aware that since the Group issued its Report in July 2008, current expenditure measures have been implemented designed to yield full year savings of the order of €10 billion. The capital allocation for 2012 has also been reduced by some €6¼ billion relative to the envelope allocation for the year as originally presented in the 2008 Budget. A number of other recommendations made by the Special Group but not specifically costed, for example as regards multi-annual expenditure envelopes, the public service pay bill and the need to reform public service pensions, have also been acted upon in this overall context.

The analytical work conducted as part of the Special Group's exercise had a role in informing the 2011 Comprehensive Review of Expenditure conducted by this Government. The full outcome of the Comprehensive Review was published in the Comprehensive Expenditure Report in December 2011. One of the main outcomes of this analysis is that a rolling process of reviews and evaluations is now underway, and this will lay the foundation for further expenditure savings and efficiencies in future years, as part of the process of putting our public finances back on a sustainable footing

Yours sincerely



Robert Watt  
Secretary General



**CIVIL SERVICE****Retirements for period January-February 2012**

<b>DEPARTMENT/OFFICE</b>	<b>Dept Total</b>
Foreign Affairs	34
Public Expenditure and Reform	12
Finance	11
State Laboratory	2
NCSE	3
Oireachtas	9
Justice	48
Transport	23
OPW	36
Defence	5
Ombudsman	1
Revenue	222
Environment	25
Communications	11
Education	32
State Examinations	6
Agriculture	180
Arts	20
Public Appointments Service	2
Social Protection	214
National Gallery of Ireland	2
Health	3
CSO	14
Courts	43
Valuation Office	7
Attorney General's	1
Jobs	37
CSSO	2
C&AG	5
IPS	52
NCAA	1
Taoiseach	3
<i>Indicative additional numbers expected (estimate)</i>	99
<b>TOTAL</b>	<b>1165</b>

Miscellaneous Appropriations-in-Aid on the Superannuation Vote  
2009 compared to 2010

	2009	2010	Change	Explanation
Payments by Department of Enterprise and Revenue	€119,597	€90,761	- €28,836	Receipts in respect of (a) Labour Court & Competition Authority Members pensions. These amounts will vary from year to year.
Recoupment of overpayment to pensioners	€30,099	€91,099	€61,000	These are returned payments and the amounts will vary from year to year
Cancelled orders and out-of-date payable orders	€169,084	€93,885	- €75,199	Similar to the above, these are un-cashed or out of date payable orders and the amounts will vary from year to year
Recoupment of moneys from suspense accounts	€190,106	-	- €190,106	This represents a timing difference on recoupment of manual payments made in 2008 and recouped through payroll in 2009.
Purchase of service	€94,006	-	- €94,006	This was a once-off receipt from the Irish Prison Service in respect of purchase of service.
Other Miscellaneous	€8,278	€106,069	€97,791	Sundry other receipts. The 2010 figure is primarily comprised of pension-related deductions remitted from the Department of Justice, the Department of Defence, DCENR and the CSO.
Total	€611,170	€381,814	-€229,356	

## Appendix 3

### SICK LEAVE - POSITION IN THE PUBLIC SERVICE

In the public service the statistics available around the cost of sick leave and absenteeism rates are:

SECTOR	COST		ABSENCE RATE	STAFF NUMBERS <sup>1</sup>
	Uncertified	Certified		
Civil Service <sup>2</sup>	€6m	€57.m	4.9% (11.3 days)	36,571
Defence <sup>3</sup>	€2m	€9m	3%	10,168
Education				90,578
Teachers	€8m	€61.m	8.3 days (primary level) 8.7 day (secondary, community, and comprehensive level)	
SNAs	€1m	€6m	8.6 days <sup>4</sup>	
Health	€35m	€255m	4.8%	104,287
Local Government	€11m	€62m	4.4% <sup>5</sup>	30,089
Justice				14,477
An Garda Síochána		€36m	4.2% (9.4 tours)	
Garda (civilians) <sup>6</sup>	€0.2m	€2m	6.6%	
Total	€63.2	€488		286,225

The figures in the table above set out the estimated costs of paid sick leave in the public service. It is evident from the figures that the substantial costs associated with sick leave are in respect of certified sick leave. The figures in the table above relate to the direct salary costs of sick leave.

<sup>1</sup> Figures are end-Qtr 3, 2011. Figures for the civil service exclude staff in the Houses of the Oireachtas.

<sup>2</sup> Source of figures: C&AG report Sickness Absence in the Civil Service 2009.

<sup>3</sup> Defence Sector figures relate to 2010 and include occupational injury related sick leave.

<sup>4</sup> The number of teaching days worked by teachers is: primary school: 183 ; secondary school: 167; the number of days referred to in the absence rate is based on the full year including weekends, public holidays and school closures.

<sup>5</sup> Average absenteeism rate across Local Authorities for certified sick leave.

<sup>6</sup> Numbers are included in the Civil Service numbers but they were not covered by C&AGs report.

The figures in the table are aggregated across sectors and they mask considerable differences in the cohorts of staff where sick leave is the highest. The main findings of the C&AG report on absence in the civil service shows that the incidence of sick leave is higher among certain grades than others e.g. clerical officers and female staff. In the Health Sector variations between professions are also observable for example absence rates for nurses and general support staff is high by comparison with medical staff.



**DÁIL QUESTION****NO**

To ask the Minister for Public Expenditure and Reform if he will detail all cuts mergers and abolishments that have been made to all non-governmental organisations since the Government came to power; the number and names of the non governmental organisations currently in operation here; his plans in this area; and if he will make a statement on the matter.

- Shane Ross.

\* For WRITTEN answer on Tuesday, 14th February, 2012.

Ref No: 7802/12

**REPLY**

**Minister for Public Expenditure and Reform ( Mr Howlin ) :** Details relating to part one of the Deputy's question are set out in the table below.

<b>Department</b>	<b>Bodies Abolished or Merged</b>
Education & Skills	The National Centre for Technology in Education (NCTE)
Health	The National Social Workers Qualifications Board
	The National Council for the Professional Development of Nursing and Midwifery
Environment, Community & Local Government	Affordable Homes Partnership <sup>1</sup>
	Centre for Housing Research <sup>1</sup>
	Local Government Management Services Board <sup>2</sup>
	Local Government Computer Services Board <sup>2</sup>
	Comhar (Sustainable Development Council)
	Limerick Northside and Southside Regeneration Agencies <sup>3</sup>
Transport, Tourism and Sport	Dublin Regional Tourism Authority
Children and Youth Affairs	The Children Acts Advisory Board

Notes:

<sup>1</sup> The Housing and Sustainable Communities Agency is operating on an administrative basis and will include the functions of the Affordable Homes Partnership and the Centre for Housing Research. The Agency will also include the National Building Agency which is in the process of being wound up.

<sup>2</sup> The Local Government Management Agency includes the functions of these Boards and will be given legal effect in 2012.

<sup>3</sup> Both Agencies are currently operating as a single administrative unit and will form part of an Office for Regeneration in conjunction with Limerick City Council

With regard to the second part of the question, I refer the Deputy to my answer to Deputy Mary Lou McDonald (PQ Ref No: 5539/12) on 31 January 2012, which sets out the different bodies currently in operation and the approach which my Department is taking in classifying the different types of organisation.

Regarding my plans in this area, as the Deputy will know, the *Public Service Reform* Report, published in November 2011, outlined the programme of public service reforms and improvements which are designed to deliver the commitments made in the Programme for Government. The radical streamlining of state bodies is a key element in the programme of reforms and to this end, the Report listed 48 bodies which are due to be rationalised by end 2012 and a further 46 bodies which are to be critically reviewed by June 2012.

In addition, the Government has also decided to:

- introduce sunset clauses when new bodies are created which will ensure a new body will cease to exist after a predetermined date unless its mandate is specifically renewed;
- ensure Departments regularly review the continuing business case for all significant State bodies; and
- require that robust service level agreements are put in place as a matter of urgency by each Department with each of its State bodies.

These reforms once implemented, will not only simplify the administrative landscape, but will lead to a more transparent, accountable and efficient public service.

## **DÁIL QUESTION**

**NO 279**

To ask the Minister for Public Expenditure and Reform if he will provide a full list of all non-commercial State agencies, various other bodies some of whom are assumed to be State agencies, offices of State, executive offices, separate divisions of Government Departments and other entities such as the Heritage Council or Top Level Appointments Commission..

- Mary Lou McDonald.

\* For WRITTEN answer on Tuesday, 31st January, 2012.

Ref No: 5539/12

## **REPLY**

### **Minister for Public Expenditure and Reform (Mr Howlin) :**

The Government is committed to a programme of public service reform and improvement. As part of the work in this area, we are looking at classifications and listings of State Agencies in order to produce more coherent and focused directories of services for citizens and the Oireachtas.

Broadly the position is that there are firstly a number of offices of State which typically are staffed by Civil Servants and have their own Vote for the allocation of public monies and which are within a Vote Group. The list of such bodies is set out at Appendix (i).

Secondly there are non-commercial state bodies who are usually staffed by Public Servants and funded (or part funded) through a grant-in-aid from their parent Department. A list of such bodies is set out at Appendix (ii).

Beyond that within each Department there would be many other executive offices, divisions and directorates, operational or consultative groupings, task groups or forums that exist for various purposes that might or might not meet the definition of 'entity'. Many of these groups are transient in nature in response to the needs and business pressures of particular Departments and sectors and details of which would not be held centrally. Questions on such bodies should be directed to the relevant Ministers. The internal organisation of my own Department is set out at Appendix (iii).



**Appendix (i)**

<b>Offices of State etc. with their own Vote</b>	
<b>Vote</b>	<b>Service</b>
1	PRESIDENT'S ESTABLISHMENT
3	OFFICE OF THE ATTORNEY GENERAL
4	CENTRAL STATISTICS OFFICE
5	OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
6	CHIEF STATE SOLICITOR'S OFFICE
8	OFFICE OF THE COMPTROLLER & AUDITOR GENERAL
10	OFFICE OF THE APPEAL COMMISSIONERS
14	STATE LABORATORY
16	VALUATION OFFICE
17	PUBLIC APPOINTMENTS SERVICE
18	OFFICE OF THE COMMISSION FOR PUBLIC SERVICE APPOINTMENTS
19	OFFICE OF THE OMBUDSMAN
23	PROPERTY REGISTRATION AUTHORITY

The above table does not include the Revenue Commissioners, the Office of Public Works, the Courts or the Prisons Services all of which are generally understood to be part of the Civil Service, the Garda or HSE Votes each of which are specific sectors, or the National Gallery which is a cultural institution with its own Vote.

<b>Non Commercial State Agencies by Vote Group</b>	
<b>Taoiseach</b>	
	National Economic and Social Development Office
<b>Justice Group</b>	
	Human Rights Commission
	National Disability Authority
<b>Environment</b>	
	An Bord Pleanála
	An Chomhairle Leabharlanna
	Dublin Docklands Development Authority
	Environmental Protection Agency
	Housing Finance Agency
	Interim Housing & Sustainable Communities Agency
	Irish Water Safety
	Limerick Northside Regeneration Agency
	Limerick Southside Regeneration Agency
	Local Government Computer Services Board
	Local Government Management Services Board
	National Building Agency
	Private Residential Tenancies Board
	Radiological Protection Institute of Ireland
	Western Development Commission
<b>Education Group</b>	
	Foras Áiseanna Saothair
	Further Education and Training Awards Council (FETAC)
	Grangegorman Development Agency
	Higher Education and Training Awards Council (HETAC)

Higher Education Authority
Irish Research Council for Science, Engineering and Technology
Irish Research Council for the Humanities and Social Science
National Centre for Technology & Education
National Qualifications Authority of Ireland
The Teaching Council
<b>CENR</b>
Broadcasting Authority of Ireland
Commission for Communication Regulation
Commission for Energy Regulation
Digital Hub Development Authority
Foyle, Carlingford and Irish Lights Commission
Inland Fisheries Ireland
National Oil Reserves Agency
Ordnance Survey Ireland
Sustainable Energy Authority of Ireland
<b>Health Group</b>
An Bord Altranais - The Nursing Board 1985
Blood Transfusion Service
Dental Council 2001
Food Safety Authority of Ireland
Food Safety Promotion Board
Health & Social Care Professionals Council 2007
Health Information and Quality Authority
Health Insurance Authority
Health Research Board
Irish Medicines Board
Medical Council



Mental Health Commission
National Cancer Registry Board
National Paediatric Hospital Development Board
National Treatment Purchase Fund
Opticians Board 1956
Pharmaceutical Society of Ireland 1875
Pre-Hospital Emergency Care Council
<b>Agriculture</b>
Bord Bia
Bord Iascaigh Mhara
Marine Institute
Sea Fisheries Protection Authority
Teagasc
National Milk Agency
<b>Enterprise Group</b>
City and County Enterprise Boards
Competition Authority
Enterprise Ireland
Forfás
Health and Safety Authority
IDA Ireland
InterTrade Ireland
Irish Auditing and Accounting Supervisory Authority
National Consumer Agency
National Standards Authority of Ireland
Personal Injuries Assessment Board
Science Foundation Ireland
SFADCo Ltd (Industrial)

**Transport**

Commission for Aviation Regulation

Fáilte Ireland

Irish Sports Council

Medical Bureau of Road Safety

National Roads Authority

National Sports Campus Dev Authority

National Transport Authority

Railway Safety Commission

Road Safety Authority

SFADCo (Tourism)

Tourism Ireland

**Arts, Heritage & Gaeltacht**

Arts Council

Boord o Ulster-Scotch (An Foras Teanga)

Bord Scannan na hÉireann (Irish Film Board)

Chester Beatty Library

Crawford Gallery

Foras na Gaeilge (An Foras Teanga)

Heritage Council

Irish Museum of Modern Art

National Concert Hall

National Library of Ireland

National Museum of Ireland

Údarás na Gaeltachta

Waterways Ireland

<b>Social Protection</b>
Citizens Information Board
Pensions Board
<b>Children &amp; Youth Affairs</b>
Family Support Agency
National Education Welfare Board
Office of the Ombudsman for Children
The Adoption Authority
<b>PER GROUP</b>
IPA
Special EU Programmes Body
<b>Finance</b>
Fiscal Advisory Council



**Internal Organisation of the Department of Public Expenditure**

Office of the Chief Medical Officer  
Remuneration and Industrial Relations  
Human Resources  
Public Service and Reform Delivery  
Expenditure policy Evaluation and Management  
Labour Market and Enterprise Policy  
Health, Pensions Policy and EU/NI  
Government Reform unit  
Centre for Management and Organisational Development (CMOD) and eGovernment  
Civil Service Human Resources

Note all of the above report to the Secretary General of the Department.

Other bodies under my Department would be Top Level Appointments Committee (TLAC), Outside Appointments Board, Public Service Agreement Implementation Body and the Valuation Tribunal.