



Department of Public Expenditure and Reform

2015 Annual Report

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1. Introduction, Context and Overview

2015 was a successful and productive year in meeting our objectives of putting Ireland's public expenditure on a more sustainable footing and supporting the continued delivery and improvement of public services. Our reform endeavours helped us to achieve better value for money from public expenditure, improve services to the citizen and generally increase public confidence in our Government structures.

The achievement and management of a sustainable expenditure framework is core to the Department's mission and underpins the public service reform agenda. It ensures that funding is made available for the provision of effective and efficient public services in line with Government priorities and consistent with the requirements of the overall fiscal framework.

In 2015, the Department worked closely with other Departments to ensure the objectives set out in our Statement of Strategy 2015-2017 were advanced. The key achievements of the Department can be categorised as follows:

- Managing the estimates process, resulting in Government agreement to total expenditure in 2016 which was sustainable and in line with Government priorities.
- Management of Voted expenditure within approved ceilings.

A significant landmark was the successful negotiation of the Lansdowne Road Agreement with the great majority of public servants. This has seen some moderate pay increases for public servants but within an agreed framework that preserves the productivity gains made over the period of the emergency and respects the requirements of maintaining sustainable public finances.

The Public Service Reform Plan

The focus of the Reform and Delivery Office (RDO) in the Department was on ways to consolidate and reduce costs, eliminate duplication and improve expenditure controls. The current Reform Plan (2014-2016) sets out a second phase of reform, with the ambitious goal of better outcomes for all stakeholders, be they citizens, businesses or public servants themselves. The Plan continues to focus on the twin goals of improving public services and achieving greater efficiency in how services are delivered.

The Office of Government Procurement (OGP) continued to lead the implementation of the Procurement Reform Programme (PRP), bringing increased levels of collaboration and consistency to public service procurement, delivering procurement savings of an estimated €165 million.

The Civil Service Renewal Plan, which was launched on 30 October 2014, contained 25 practical actions to create a more unified, professional, responsive, open and accountable Civil Service. Considerable progress was made during 2015, with 23 of the actions initiated within the plan's first 200 days.

The National Shared Services Office

The National Shared Services Office continued with the successful transition of client departments and public service bodies to the two Civil Service shared service centres: PeoplePoint and the Payroll Shared Services Centre. Progress was also made on the Financial Management Shared Services project towards the procurement of a single financial management system for over 45 public service bodies.

2. Managing Public Expenditure Better

The achievement and management of a sustainable expenditure framework is core to the Department's mission underpinning the public service reform agenda. This ensures that funding is made available for the provision of effective and efficient public services in line with Government priorities consistent with the requirements of the overall fiscal framework.

In 2015, the Department worked closely with other Departments to ensure the objectives set out in the Statement of Strategy 2015-2017 were achieved. The key achievements of the Department can be categorised as follows:

- Managing the estimates process, resulting in Government agreement to an expenditure aggregate for 2016 which ensured sustainable expenditure in line with Government priorities.
- Management of Voted expenditure within approved ceilings.

Managing the Estimates Process

Ireland's successful exit from the European Commission's Excessive Deficit Procedure at the end of 2015 will be confirmed later this year. The Department continued to liaise and engage with the Troika on expenditure matters in 2015 and participated in formal post programme monitoring review meetings and negotiated in relation to end Review statements and reports to ensure Ireland's views were presented and the reports were in line with the discussions which had taken place.

In 2015, the Department published the Expenditure Report 2016 which set out the detailed budget measures for 2016 and three year Ministerial expenditure ceilings.

In the last quarter of 2015, the 2016 Revised Estimates Volume which set out the detailed 2016 expenditure allocations was published by the Department. The 2016 Revised Estimates Volume also includes performance information for each Vote setting out the key services and activities funded by public resources and high level measures of the context and impact of these services and activities.

Management of Voted Expenditure

Funding for the services and activities of the Government is authorised by the Dáil each year in blocks of expenditure known as Votes. Each Vote is a coherent area of Government expenditure which is the responsibility of a single Government Department or Office. The Department of Public Expenditure and Reform monitors and manages expenditure by individual Votes and analyses and manages overall public expenditure.

In 2015 the Department:

- monitored expenditure trends throughout the year and advised on trends;
- examined and evaluated proposals from Departments and State Agencies on a value for money and resource prioritisation basis and advised on whether or not the proposals should be sanctioned;
- managed the process for seeking government approval for a number of Supplementary Estimates to ensure the continued delivery of essential services in particular in the health and justice sectors and to provide for extra capital investment in line with improved budgetary position and
- reviewed and advised the policy and performance of State bodies.

Out of a total of 40 Votes, 27 Votes managed expenditure within the original voted allocations for 2015, with other Votes receiving Supplementary Estimates to ensure effective delivery of public services within the improved fiscal position having regard to economic and social objectives.

The Department continued to include performance based budgeting in the Revised Estimates for Public Services Volume. As a result, the impacts or outcomes that public policy is aiming to influence – for example, health outcomes, public safety, standards of literacy and higher education, energy sustainability, social inclusion – are now set out clearly beside the associated expenditure. The Department will continue to engage with the key stakeholders to continue to help embed performance budgeting into the budgetary process.

Budgetary Reform

The changes to the budgetary timetable at EU level presented an opportunity to further adapt the domestic budgetary process to enhance the whole-of-year approach towards the Budget. In April 2015, the Department of Public Expenditure and Reform and the Department of Finance jointly published the Spring Economic Statement, setting out the broad parameters for macroeconomic growth and the fiscal outlook and constraints over the medium term to facilitate discussion about fiscal options and priorities well in advance of the October Budget.

The Department of Public Expenditure and Reform and the Department of Finance held a **National Economic Dialogue (NED)** in July 2015 to facilitate an open and inclusive exchange on the competing economic and social priorities facing the Government in the formulation of Budget 2016 in the light of the macro-economic and fiscal parameters, including the EU budgetary framework, set out in the Spring Economic Statement.

In 2015, work continued on embedding the Performance Budgeting initiative to improve resource allocation decision making. An internal review of the performance information in the 2015 Revised Estimates Volume (REV) was carried out, which resulted in a change to how performance information was presented in the 2016 REV. The new approach is intended to bring greater clarity and focus to discussion of the estimates and to enhance budgetary engagement and oversight by the Oireachtas.

Public Spending Code

The Public Spending Code sets out the rules and standards for appraising and evaluating expenditure in all public bodies before, during and after spending. In 2015, the Department's Central Expenditure Evaluation Unit, which devised and published the new Public Spending Code in 2013, continued its engagement with other Departments to improve awareness and knowledge of the requirements and guidance available in the Public Spending Code. The Unit delivered 24 training and development sessions on the Public Spending Code appraisal and evaluation requirements, including cost benefit analysis techniques.

Value for Money and Policy Reviews

Value for Money and Policy Reviews (VFMPR) are an important aspect of Irish public sector policy evaluation. Value for Money reviews are long established and aim to ensure that the maximum impact of public spending is achieved. In recent years, value for money reviews have been supplemented by more focused evaluations called Focused Policy Assessments which are typically carried out in a much shorter timeframe. A new round of VFMPR is underway covering the period 2015-2017. The current round of reviews covers over 40 areas of expenditure across all sectors. The Department oversees the VFMR process and supports Departments as they carry out reviews.

The Irish Government Economic and Evaluation Service (IGEES)

IGEES is a professional economic and evaluation service which aims to build economic and evaluation capacity in the Civil Service and provide high standards of economic and policy analysis to assist the Government decision-making process. It was established in 2012.

IGEES membership continued to grow in 2015 with specialist graduate recruitment to properly resource the new service. There are IGEES Units in each Government Department. Papers produced by IGEES members are available on the IGEES website at <http://igees.gov.ie/> and an IGEES work programme for 2016 will be published shortly. The IGEES Continuous Professional Development Programme was initially rolled out in early 2014 and continued to be developed in 2015. The CPD programme consists of a series of integrated training and development streams, drawing on a mix of technical courses delivered in-house (from experts within the Service) and academic courses taught in the universities. The CPD Programme streams are; Policy Analysis and Microeconomics; Government Policy/Governance; Macroeconomics and Fiscal policy; and Econometrics, Data Analysis and Quantitative Methods.

3. Capital Investment and State Assets

Exchequer Capital

A complete review of public capital investment needs was completed in 2015, following extensive consultation with Departments, bodies and a wide-range of relevant stakeholders and representative bodies. The review informed a revised Capital plan covering the 6 years 2016-2021 which, following Government deliberations, was published in September 2015 entitled 'Building on Recovery: Infrastructure and Capital Investment 2016-2021'.

The plan outlined Exchequer investment of €27 billion over the six year period. The scale and profile of the Exchequer component of the Capital Plan was developed with reference to medium-term economic growth forecasts and consistency with the Government's fiscal targets. It will see gross Exchequer Capital expenditure rise from €3.7bn in 2015 to €5.4bn in 2021.

The Exchequer component of the Plan was supplemented by investment from the wider semi-state sector (c€14.5b) and privately financed PPPs (c€2.2b). When that is also taken into account, it brings the aggregate level of planned state-backed investment under the plan to about 3.3 % of GNP on average over the relevant period contributing to an overall investment rate in the economy which - according to the ESRI - is consistent with its long-run average.

PPPs

The Department actively managed the Government's PPP Programme throughout 2015, in conjunction with other relevant Departments and the NDFA, with a number of potential obstacles to delivery of projects addressed and resolved. Two PPP Projects were brought to financial close in 2015 (M11 Gorey to Enniscorthy motorway PPP and the Courts PPP) with significant progress also made on the remaining four Phase 1 projects (N25 New Ross Bypass, the Health Centres PPP, Schools bundle 5 and Grangegorman/DIT PPP).

Good progress was also made on PPP Phase 2 (social housing), intended to deliver 1,500 social housing units, with sites selected, agreed and announced for the first bundle of 500 houses across a number of local authority areas in the Dublin/East region, with progress also being made on the governance arrangements for the project and on establishing the scope of the PPP contract.

A new Investment Policy Framework for PPPs was also developed in 2015 in the context of the Capital Review and agreed by Government. This new framework is intended to ensure that PPP can continue to be a procurement option for Government, but to be used in a manner that is sustainable in the long term and which the public finances can afford. Under the framework, total Exchequer exposure to PPP related costs (primarily unitary payment charges, but also including up-front direct exchequer costs) is to be restricted to not more than 10% of the total aggregate Exchequer capital allocation available in any given year.

In addition, a new €500m 3rd Phase of PPPs was agreed, consistent with the new framework, and announced in the Capital Plan, which will see new PPPs launched to deliver additional projects in the Higher Education, Justice and Health sectors.

Off-Balance Sheet Financing

The Department worked with other Departments and agencies to explore the feasibility of, and market interest in, the proposed concept of a financial aggregator model to use part of the proceeds of the sale of Bord Gáis Energy to deliver additional social housing on an off-balance sheet basis. Following extensive consultation with a wide range of potential providers and financiers of social housing, it was established that the original financial aggregator concept does not appear to offer a workable solution consistent with the objective of securing an off-balance sheet treatment, but instead agreement was reached on an alternative proposal to develop, on a pilot basis, an off-balance sheet affordable rental scheme.

The Department also worked with the Department of Finance and other relevant Departments and agencies to explore other options for alternative financing of infrastructure projects, including in particular use of the European Fund for Strategic Investments (EFSI) – part of the Juncker Plan.

Sale of Aer Lingus

The Department participated in the work of the inter-Departmental Steering Group established by Government to advise on IAG's offer for Aer Lingus and to subsequently negotiate an acceptable deal with IAG for the sale of the Government's remaining stake in the company – which was successfully completed in 2015.

A new Connectivity Fund was created with the proceeds of the sale of the Government's Aer Lingus shareholding, to use the proceeds of the sale to support worthwhile commercial projects that enhance Irish connectivity – either within Ireland or international connectivity. Connectivity for the purposes of the fund is being defined broadly and includes, for example, energy and telecommunications/broadband connectivity, as well as more traditional transport related projects. The Fund has been structured as a new sub-portfolio of the Ireland Strategic Investment Fund (ISIF) and being managed by the ISIF.

Government Accounting

Government Accounting Unit is responsible for developing and advising on policy for accounting and financial management, risk management and internal audit for central Government Departments and Offices. In 2015, Government Accounting Unit produced guidance and policy in a number of key areas, most notably:

- Guidance Manual for the Preparation of Appropriation Accounts 2014;
- Circulated an updated DRAFT Code of Practice for the Governance of State Bodies to Departments and State bodies under their aegis for consultation;
- DPER Circular 7/2015 relating to the Timely Production and Submission of Accounts of Bodies and Funds audited by the Comptroller and Auditor General and the Laying before the Houses of the Oireachtas Special Reports of the Comptroller and Auditor General;
- DPER Circular 19/2015: Requirements for Appropriation Accounts 2015 to assist Departments and Offices in the preparation of their annual Appropriation Accounts;
- DPER Circular 21/2015 relating to changes in the titles of financial statements under FRS 102 for State Bodies Audited by the Comptroller and Auditor General;
- Organised a well-attended conference entitled 'Governance is good for Business' for the Heads of Internal Audit Forum (HIAF) and staff working in internal audit units across Government Departments and Offices held in Farmleigh in October 2015.

- Finalised Risk Management Guidance for Government Departments and Offices which was published in early 2016;
- Contributed to a 'Transfer of Functions Guidelines & Best Practice Handbook' which has been produced as part of the implementation of the Civil Service Renewal Plan. It provides a standardised approach for managing the efficient reorganisation of Departmental structures or functions.

Finally, Government Accounting Unit continued its coordination role for the Public Accounts Committee, its advisory role to Vote Sections, Departments and Offices, and the Comptroller and Auditor General, and provided continuing support and a secretariat for the Finance Officers Network and the Heads of Internal Audit Forum.

Government Accounting Unit provided sanction for the opening of Public Bank Accounts to Returning Officers in advance of the Marriage Equality referendum in May 2015, and to Government Departments and Offices throughout the year. The Unit issued a number of warrants during 2015 for the appointment of Secretary Generals as Accounting Officers for the Votes of their Departments.

Progress on Delegation of Sanction for Numbers

With effect from 2015, with a growing economy and developing pressures on public service numbers, it was decided to end the Moratorium on Public Service recruitment, and introduce a policy of delegation of sanction to Government Departments for management of staff numbers. This policy allows Departments local flexibility to recruit or promote in grades up to and including Principal Officer, subject to remaining within pay ceilings, monthly and quarterly reporting on pay and numbers, and adherence to workforce planning requirements. As of end December 2015, sanction was delegated to all Government Departments with the exception of the HSE and a small number of agencies in the Health Sector, the Garda, Prisons and Irish Human Rights & Equality Commission in the Justice Sector, and the third level sector in the Education Sector. A review of the operation of delegation of sanction for numbers in 2015 has recently been completed, which found in the main that the policy has operated effectively for those areas who have received the delegated sanction.

4. Labour Activation

Activation, Education and Training

Throughout 2015, the Department continued to act on the Government's prioritisation of long term unemployment, through the renewed Pathways to Work strategy, using this mandate to ensure that funding continues to be prioritised for those who had been out of work the longest.

The Department worked closely with the Department of Social Protection to ensure that there is an integrated approach between the JobPath and the Intreo services so that case workers can effectively manage clients in a co-ordinated manner. The Department has recently finalised an in-depth Intreo data set, which provides detailed metrics at the individual Intreo office level.

The JobPath scheme was rolled out in July 2015 and since then, this Department has been meeting with the Department of Social Protection on a regular basis to review and monitor performance. In order to ensure that activation schemes targeted at the long-term unemployed are efficient and effective and that issues of deadweight are avoided, ongoing evaluations of such schemes need to be carried out on a regular basis. This Department continues to attend and participate in the Labour Market Council (LMC) meetings on a quarterly basis. One of the main tasks of the LMC is monitoring the implementation of the Pathways to Work scheme.

In recent years, this Department has supported the restructuring of the Further Education and Training sector around Education and Training Boards (ETBs) under the strategic direction and funding of SOLAS, the further education and training authority. As part of its work in driving an evaluation approach across the further education and training sector, the Department continued to assist SOLAS in their efforts to develop a data infrastructure to record inputs, outputs and outcomes, allowing for a move towards a new performance based funding model.

The Department also worked with the Department of Education and Skills and SOLAS in driving the focus on getting the long-term unemployed back into work as part of the five-year SOLAS Further Education and Training strategy. Of the 258,642 starters on further education and training courses in 2015, 67,792 were long-term unemployed starters. Progress against the targets set for long-term unemployed participants was reported to the Cabinet Committee, along with detailed information on the functioning of the new referral system from Intreo offices to ETBs.

5. International Co-operation

2014-2020 EU Structural Funds Programme

Ireland was successful in securing €1.2 billion of EU Cohesion funding for the period 2014-2020. This represents an increase of 8% in real terms over the 2007-2013 programming period, at a time when the overall EU budget for Cohesion Funding was cut by 8%.

The funding priorities for Ireland's ESI Funds programmes are set out in its Partnership Agreement with the European Commission, for which the Department has overall responsibility. These include promoting jobs and growth; combating unemployment and social exclusion; promoting R&D and ICT investment and the competitiveness of the business sector; and promoting an environmentally-friendly and resource-efficient economy.

€950 million is for programmes co-funded by the European Regional Development Fund (ERDF), for which the Department is responsible, and the European Social Fund (ESF), which is under the aegis of the Department of Education & Skills, with the balance being devoted to European Territorial Cooperation (ETC) programmes in which Ireland participates, most notably the two North South Programmes.

The ERDF Operational Programmes, which were adopted by the European Commission in December 2014, were formally signed by Minister Howlin and Regional Policy Commissioner Crețu at a ceremony in Brussels in February 2015. The programmes were launched by the Taoiseach and Minister Howlin at regional events in May 2015.

The Department is now moving out of the planning phase and into the implementation phase of the current funding round. During 2015, the Department worked closely with the relevant Managing Authorities to ensure progress on implementation, including the development of national eligibility rules, information and communication guidelines and financial management and control arrangements.

Two national monitoring committees were established during 2015 to oversee the implementation of the 2014-2020 Programmes. The National Coordination Committee of the Funds (NCCF), which comprises the Departments involved in the implementation of Programmes, examines implementation issues and ensures that opportunities for synergies and complementarity are identified. The Partnership Agreement Monitoring Committee (PAMC), includes the implementing bodies, horizontal principle bodies and bodies representing civil society. It monitors progress on implementing the strategic objectives identified in the Partnership Agreement and provide updates on implementation issues. Each Operational Programme has its own Monitoring Committee which had their first meetings in 2015 and which review implementation of the programmes and the progress being made towards achieving objectives.

Management of Previous Programmes

The Department continued to oversee Ireland's two regional ERDF Programmes for the 2007-2013 round of funding, which have a total value of €750 million, including €375 million ERDF funding. The Programmes, which have been managed by the Southern Regional Assembly and the Northern & Western Regional Assembly, are entering their final phase.

Final closure of the remaining three 2000-2006 programmes was progressed with a view to completion in the first half of 2016.

North South Cooperation

The Department worked closely with the Department of Finance & Personnel in Northern Ireland and the Special EU Programmes Body (SEUPB) on oversight of the 2007-2013 PEACE and INTERREG Programmes. Both Programmes, which have a combined value of almost €590 million, are fully committed and projects are contributing to the economic and social well-being of the region and to reinforcing a peaceful and stable society. As with the regional ERDF Programmes, the focus is now on finalisation and programme closure.

The INTERREG Programme for 2014-2020 was adopted by the European Commission in February 2015 and funding calls took place in August 2015. The Programme has a value of just over €280 million and the funding priorities are research & innovation, the environment, sustainable transport and health.

The PEACE IV Programme for 2014-2020, was adopted by the European Commission in November 2015. The PEACE Programme has a total value of almost €270 million with the funding priorities including shared education, children & young people, shared spaces & services, building positive relations at a local level.

European Territorial Cooperation

As well as the North South Programmes, Ireland takes place in number of other EU-funded cross border and transnational programmes, most notably the Ireland Wales Programme, which has a total value of almost €100 million and which was launched by Minister Howlin and his Welsh counterpart, Minister Jane Hutt, in March 2015 at a ceremony in Swansea.

Other programmes Ireland participates in include the Atlantic Area, North West Europe, and the Northern Periphery & Arctic Region.

EU and North South Policy Coordination

The Department supported the development of EU-related policy across the Department, including the work of the Cabinet Committee on EU Affairs and related interdepartmental groups.

The Department also supported the work of the North South Ministerial Council (NSMC) and North South Bodies under its aegis, including the Sectoral meetings of the NSMC devoted to the SEUPB as well as the NSMC Plenary meetings.

Enhanced Evaluation of Climate Policy

The Department continued to influence the relevant lead Departments in terms of the incorporation of an Exchequer perspective and evaluation into positioning on climate policy - particularly in the context of negotiation at EU level on burden sharing between Member States of targets stemming from a new climate and energy package for 2030. The Department also inputted into the development of the Climate Action and Low Carbon Development Bill (which was enacted in December 2015) and actively engaged on an on-going basis with relevant Departments, Agencies and various fora on the climate change related agenda as well as inputting into various relevant working groups at national and EU level. The Climate Change Expenditure Evaluation Unit also completed a review of the National Carbon Portfolio which was used as an input paper for the cross Departmental Technical Research and Modelling Group on the topic of the Kyoto Protocol First Commitment Period Compliance.

Providing Assurance to the Secretary General: Internal and EU Audit

The Internal and EU Audit Unit provides an internal audit service to the Department of Public Expenditure & Reform and the Department of Finance and is the designated European Regional Development Fund (ERDF) Audit Authority for Ireland as required by European Union regulations. The

Unit successfully completed an external quality assessment conducted by the Chartered Institute of Internal Auditors in December 2015.

The Audit Unit completed seven internal audits reports for the Department of Public Expenditure and Reform in respect of its 2015 Programme of audits. These have resulted in recommendations to improve various business-critical aspects of the Department's processes. In addition, the Audit Unit provided significant support to the National Shared Services Office in the development and oversight of a robust and extensive assurance regime across the developing shared services programmes, primarily relating to the Human Resources (PeoplePoint) and payroll shared services. As part of its shared service internal audit agreement with the Department of Finance, the Audit Unit completed seven internal audit reports in respect of its 2015 programme of audits and reported results to the Department's Audit Committee.

As the designated Audit Authority in Ireland for the ERDF, the Audit Unit completed 54 operations audits and 7 systems audits during 2015 across three ERDF operational programmes. The associated Annual Control Reports for each programme (Southern & Eastern, Border, Midland and Western and Ireland/Wales) were submitted to the European Commission by 31st December 2015. For the 2014-2020 programming period, the Authority completed an audit strategy for the Southern & Eastern and Border Midland & Western Regional Programmes and, as the Independent Audit Body for the ERDF Programmes, has been involved in the planning and co-ordination of the designation procedures.

Finally, the Department made significant progress in the closure of the 2000-2006 Structural Fund Programming Period. Three outstanding operational programmes, namely, the Border, Midland and Western, the Southern and Eastern and the Productive Sector were closed successfully in early 2016 with a full drawdown of ERDF funds. During 2015, the Department was also instrumental in the closure of the final three outstanding 2000-2006 Cohesion Funds projects, namely, the Cloghran-Lissenall M1 motorway, the M50 Motorway and the Dublin Regional Solid Waste project.

6. Stable Industrial Relations and Sustainable Public Service Pay and Pensions

The key priorities for 2015 regarding Remuneration, Industrial Relations and Pensions were:

- Continue to contain the cost of the public service pay and pension bill. Continue the implementation and delivery across the public service of the Haddington Road Agreement.
- To maintain a stable industrial relations climate across the public service.
- Development and implementation of policies and initiatives, including implementing the provisions of the Public Service Stability Agreement 2013-2018 (Haddington Road and Lansdowne Road Agreements).
- Managing the gradual and phased unwinding of the Financial Emergency Measures in the Public Interest Acts, and managing the overall Public Service pay and pensions bill, while maintaining industrial relations stability and supporting public service reform.

Public Service Stability Agreement 2013-2018

Between 2009 and 2013, five Financial Emergency Measures in the Public Interest (FEMPI) Acts were passed, reducing the pay and pensions of all public servants. In parallel with these, the Croke Park and Haddington Road Agreements secured major productivity and reform measures, as well as sustained industrial relations peace, within the public service.

The Haddington Road Agreement was scheduled to run until 2016. In 2015 the Government decided to enter into discussions on an approach to commencing the unwinding of the Financial Emergency Measures in the Public Interest (FEMPI) legislation. To this end the Minister for Public Expenditure and Reform invited the public servant representative organisations to enter discussions with public service management on how best to unwind the FEMPI Acts, while maintaining in place the productivity, reform and industrial relations structures provided for under the Haddington Road Agreement. The Department took responsibility for facilitating these discussions, negotiating with the unions, and drafting the agreement, reached after three weeks of negotiations.

The agreement known as the Lansdowne Road Agreement extends the terms of the Haddington Road Agreement, and in exchange begins the restoration of the pay and pension of public servants. This Agreement was endorsed in a ballot of Public Service Unions in September 2015 and is runs until September 2018.

Financial Emergency Measures in the Public Interest Act 2015

On conclusion of negotiations, a new FEMPI act was required to give effect to the following measures contained in the Lansdowne Road Agreement:

- The annual basic salary of public servants earning up to €24,000 was, from 1 January 2016, increased by 2.5 per cent.
- The annual basic salary of public servants earning over €24,000 but not over €31,000, was, from 1 January 2016, increased by 1 per cent.
- Where the annual basic salary of public servants is not over €65,000, it shall, on and from 1 September 2017, be increased by €1000.
- Where the annual basic salary of a public servant is over €65,000 but not over €110,000, the amount by which it was reduced in 2013 shall be restored in two halves – the first on 1 April 2017, and the second on 1 January 2018.

- Where the annual basic salary of a public servant is over €110,000, the amount by which it was reduced in 2013 shall be restored in three equal parts – the first on 1 April 2017, the second on 1 April 2018, and the third on 1 April 2019.
- On 1 January 2016 the exemption threshold for payment of the Pension Related Deduction (PRD), which all pensionable public servants are liable for, increased from €17,500 per annum to €26,083 per annum.
- On 1 January 2017 the exemption threshold for payment of the Pension Related Deduction is to increase to €28,750.
- The impact of the Public Service Pension Reduction (PSPR) on pensions in payment is reduced by increasing the various exemption thresholds incrementally on 1 January 2016, 1 January 2017 and 1 January 2018. (From 1 January 2018 it will ensure that only 20% of the highest value public service pensions will remain impacted by PSPR.)
- The pay of the judiciary shall, by Government Order, be adjusted so that new entrants may achieve parity with longer serving judges, by way of an incremental pay scale.

The Department worked on drafting Heads of a Bill, obtaining Minister's and Government approval and consulting with the Office of the Attorney General to agree the text of the bill, passed in November 2015.

In recognition of the complexity of the Public Service Stability Agreement 2013-2018, and the underlying FEMPI legislation, the Department continued to drive, coordinate and support the implementation and interpretation of the Agreement in a consistent manner across the entire public service through 2015. The Department also carried out the Annual Review of the FEMPI suite of legislation that was laid before the Oireachtas in June 2015.

Single Public Service Pension Scheme

The Single Public Service Pension Scheme provided for under the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 commenced on 1st January 2013. It applies to all pensionable first-time entrants to the Public Service, as well as to former public servants returning to the public service after a break of more than 26 weeks.

Key developments regarding the Single Scheme in 2015 were:

- Recruitment of a project manager to lead a Feasibility Study into options to improve administration of the Single Scheme was progressed.
- 09/15 Circular Guidance to Employers Inflation adjustment of Scheme
- Research and drafting progressed for circulars on 'Medical Grounds of Retirement' and 'Purchase of Additional Pension Rights'.

Modernisation and Standardisation of Travel and Subsistence

The Haddington Road Agreement at paragraph 2.28 commits the Parties to a review of the travel and subsistence arrangements to apply across the Public Service.

The approach taken was to initially review subsistence in the civil service under the General Council scheme of conciliation and arbitration. Following completion of this element a review of mileage rates would take place. Any agreement reached, or equivalent measures, would then be applied across other parts of the Public Service.

The review was completed in 2015 and agreement was reached with the Staff Side (GC Agreed Report 1531) with regards to subsistence on the matters outlined in summary below:

- An increase in the overnight rate from €108.99 to €125 (almost a 15% increase) with an increase in the distance requirement from 48 km to 100 km with effect from 1 July 2015.
- An increase in the 5 hour day rate from €13.71 to €14.01 (2% increase) with an increase in the distance requirement from 5 km to 8 km.
- The rates will be reviewed in line with changes in the CPI, and any increase/decrease will only apply where changes to the CPI exceed 5%. The first review is planned for 2018.

Revised Pension Scheme for staff of North South Bodies (Hutton Reforms)

The North South Pension Scheme was amended with effect from the 1 April 2015, in line with reforms recommended by Lord Hutton for the Principal Civil Service Scheme (Northern Ireland), the scheme on which the North South Pension Scheme was based. It was agreed that Southern members would have the option of remaining in the North South Pension Scheme subject to “Hutton” reforms, or of returning to the pension scheme they were members of prior to the establishment of the North South Pension Scheme (“Reserved Rights” status). Amendment No. 6 changed the scheme from a final salary scheme to a career average retirement earnings scheme and introduced increased contribution rates for relevant Southern Members. The changes will assist in ensuring the long term sustainability of the scheme.

The Department maintained active engagement with unions and continues to collaborate with NI Finance and Personnel and the Collective Consultation Group on policy for this Scheme.

Consolidation of Non-University Third Level Pension Scheme

The Education and Training Board Teachers Superannuation Scheme (ETBTSS) and the Education Sector Superannuation Scheme (ESSS) were formally made by the Minister for Education and Skills with the consent of the Minister for Public Expenditure and Reform on 9 July 2015. Previously, these schemes were operating on the basis of several different sources including secondary legislation, Department of Finance/Public Expenditure and Reform Pensions circulars, changes in legislation and changes arising from agreements such as PCW, Croke Park, Haddington Road, etc. The Vocational Teachers' Superannuation Scheme was renamed the Education and Training Board Teachers Superannuation Scheme (ETBTSS). The scheme for the Institute of Technology (IOT) employees is now the Education Sector Superannuation Scheme (ESSS).

7. Driving Reform: The Civil Service

Civil Service Renewal

The Civil Service Renewal Plan includes a Vision to provide a world-class service to the State and to the people of Ireland and an Action Plan to create a more unified, professional, responsive, open and accountable Civil Service. Implementation of the ambitious programme of reform in the Civil Service continued in 2015.

In July 2015, a report setting out the progress achieved on Civil Service renewal in the ‘first 200 days’, was published by the Minister for Public Expenditure and Reform. The Report outlined that:

- a Civil Service Management Board had been established to strengthen the collective leadership in the Civil Service;
- an Accountability Board had been established for the first time to bring together Civil Service, ministerial and external perspectives on Civil Service performance.
- a performance review process for Secretaries General and an enhanced process for Assistant Secretaries had been approved and will be introduced for the next performance year, 2016.;
- options to strengthen the disciplinary code had been identified and a revised code developed;
- open recruitment campaigns had been held across most Civil Service grades and to fill specialist gaps;
- a new model for the implementation of a programme of Organisational Capability Reviews had been developed;
- the first Civil Service-wide staff engagement survey, involving more than 38,000 employees, commenced in September 2015 to get staff input and to provide a benchmark to measure and compare different Departments, the results of which was published in January 2016; and
- the appointment of a new Civil Service Spokesperson.

Momentum in implementation continued through the second 6 month of the year where significant progress was made on delivering the actions in the Plan. Important milestones in this regard include:

- the introduction of a new two point ratings scheme for PMDS for staff for the 2016 performance cycle;
- the publication of a single Governance Standard for all Government Departments to inform the development of Governance Frameworks for each Department;
- the development of new website whodoeswhat.gov.ie which publishes an assignment framework that describes ‘who does what and to whom they are answerable’ in Departments;
- the publication of the *Transfer of Functions Guidelines and Best Practice Handbook* to guide the Civil Service to implement the decisions taken by Government regarding changes to Departmental structures and functions;
- a continuous programme of staff engagement and communications including 12 Town Hall events across the country; and
- holding 21 Open Policy Debates involving stakeholders to support more open approaches to policy-making.

Chief Human Resources Strategy Unit

In 2015, the position of Chief Human Resources Officer for the Civil Service was created. The Chief Human Resources Officer leads the Central HR function for Civil Service and is responsible for developing strategic HR capability across the Civil Service including implementation of the HR actions in Civil Service Renewal Plan. A key requirement of the role is to work with stakeholders across the Civil Service to develop strategies aimed at releasing potential and maximising the performance of staff.

Senior Public Service (SPS)

The Senior Public Service (SPS) aims to promote a more integrated public service at senior levels and to strengthen the senior management and leadership of the public service. The SPS Secretariat is based in the Department of Public Expenditure and Reform.

In 2015, the SPS continued to rollout out the Leadership Development Strategy 2013-2015, which was published in early 2013. Under this Strategy, key initiatives developed and implemented to strengthen and support senior leaders across the Civil Service include:

- Executive Coaching;
- Assistant Secretary mobility (under the SPS Mobility Protocol, inter-Departmental mobility must be considered in the first instance for filling all Assistant Secretary vacancies);
- Networking events; and
- Tailored learning and development

The SPS Executive Coaching programme continued to operate and the 52 Senior Civil Servants and CEOs of Non-Commercial State Agencies (NCSAs) who began the programme in 2014 concluded the programme in 2015. A further 30 participants from across the Civil Service and NCSA's commenced the programme in 2015. Feedback on the coaching has been positive and there are plans to expand the programme in 2016 to include team coaching.

The SPS Secretariat continued to manage the mobility process for SPS members. Six SPS members changed roles via mobility in 2015. Cross Departmental mobility broadens the skills and experience of civil service leaders and Departmental management boards. It encourages continuous professional development and provides management boards with a fresh perspective.

The SPS also held five networking events in 2015, including the Assistant Secretary Network Annual Conference held in May. Networking events encourage collegiality, shared values, and the informal sharing of knowledge and experience between SPS members. Topics discussed at the events included Graduate Recruitment, Civil Service Renewal and the 1916 Commemorations.

Performance Management at Senior Levels

Action 12 of the Civil Service Renewal Plan commits to the introduction of robust performance management processes for Secretaries General and Assistant Secretaries. During 2015, these processes were designed and developed, for roll-out in January 2016. Under both processes, objectives are set at the start of the year and there is a mid-term and end-year review. Objectives fall into 4 categories: (i) Policy, (ii) Operational, (iii) Leadership and (iv) Collaboration. The Assistant Secretary process includes a 360° questionnaire, the feedback from which will feed into the setting of development objectives.

Graduate Development

The Civil Service Graduate Programme was launched in May 2015. Recent recruits from the Administrative Officer generalist and Junior Diplomat panels participated in the programme which was delivered in partnership with the Irish Management Institute. Participants received training from both external practitioners as well as experienced Civil Servants. Each module was evaluated by participants and overall feedback has been positive.

In addition to the formal learning aspect of the programme, participants were also assigned a mentor from within their own Department. The participants were also given supports required to establish an Administrative Officer Network. The network has established a management committee and has held its first event in 2015.

Talent Management

Work progressed with the aim of introducing structured development programmes for Assistant Secretary and Principal Officer Levels based on Talent Management principles. An audit of learning and development opportunities available in government Departments was also carried out. This exercise aided the development of Talent Management policies focussed on grades up to and including Assistant Principal.

Civil Service Employee Assistance Service (CSEAS)

The CSEAS, under the aegis of the Department of Public Expenditure and Reform, provides employee and manager supports across the Civil Service on a regional basis. It contributes to the ongoing development of a resilient workforce, thereby positively impacting on organisational effectiveness. 11% of serving civil servants availed of one-to-one support in relation to a variety of personal and/or work challenges in 2015. The CSEAS communications strategy continued in 2015 seeking to strengthen stakeholder linkages, particularly with line managers. There was a particular focus on promoting health and well-being in the workplace, with an emphasis on positive mental health. Information publications on suicide prevention, coping with the emotional response to suicide and guidelines for managing stress were published. Presentations and webcasts on related topics were rolled out. These publications support the message of the Government's 2015 national strategy to help reduce the incidence of suicide in Ireland.

The value of the CSEAS was recognised in Senator Marie Louise O'Donnell's 2015 report titled *Finite Lives: A study in how the State deals with issues relating to end of life (Part 1)*. It was acknowledged in this report that the availability of this Service was cited as the most helpful support to civil servants in dealing with issues around death, dying and bereavement. The CSEAS 2015 publication titled "Helping the Bereaved at Work" aims to assist managers and colleagues in providing a supportive workplace community for those affected by death and bereavement.

The CSEAS is committed to building on achievements to date, seeking opportunities to refine and improve service delivery, and welcoming feedback.

Public Service Sick Leave Scheme

The first results of the Public Service Sick Leave scheme were published in 2015. The results, which examine sick leave statistics for 2014 show that the scheme has resulted in significant savings to the exchequer with €51 million being saved for the year. This equated to a lost time rate reduction from 4.3% to 4.0%. As a result there were an additional 260,000 days approximately, worked by public servants in 2014 in comparison to 2013. A review of the Public Service Sick Leave Scheme, to evaluate the effectiveness of the Scheme and address any operational difficulties and issues which may have arisen following its introduction, is currently underway.

New Disciplinary Code

Action 11 of the Civil Service Renewal Plan also provides for the strengthening of the Disciplinary Code to enable managers to take more effective and decisive action as required to tackle underperformance including exits. A new Disciplinary Code and Underperformance Policy has been developed which will make it clear what steps need to be taken when addressing underperformance and disciplinary matters. The introduction of the new Code and Policy will be underpinned by a change management strategy aimed to support managers and staff in the roll out which will take place in 2016.

Dignity at Work

A new anti-bullying and harassment policy entitled Dignity At Work was launched in February 2015. The policy set out the procedures under which a staff member can take a complaint of bullying or harassment in the work place. The policy emphasises the importance of informal dispute resolution methods in the work place and introduced the role of a Designated Person who examines the case in the first instance. A training programme for Designated Persons was rolled out following the launch of the policy. A panel of external investigators was put in place which Civil Service Departments/Offices have utilised over the last year, and continue to use.

Strategic Civil Service Resourcing

Workforce Planning

Strategic workforce planning and management of human resources are essential to ensure Departments and Offices maintain and optimise their capacity for service delivery. As delegated sanction was expanded to more organisations, the Department continued to support the Civil Service through the workforce planning process in 2015 via the following measures.

- The Workforce Planning Network met on 2 occasions in 2015. The meetings were an important measure in providing relevant updates to the group while also allowing members to provide feedback.
- A report on Workforce Planning in the Civil Service was devised from the accumulation of Workforce Plans submitted by Departments. The report drew on some of the most prevalent trends emerging from the Workforce Plan while providing recommendations on how deal with them going forward. The report was subsequently presented to the Civil Service Accountability Board.
- Feedback was offered to Departments following the submission of Workforce Plans with a view to explore issues further and to promote best practice for future iterations.

Performance Management

In 2015 the decision was made to introduce a new format for PMDS and performance management. Work was progressed on a new system which utilised a two-point rating system as opposed to a 5-point scale. Performance will now be evaluated on whether or not the jobholder has performed to a satisfactory level. These changes are designed to create greater dialogue between managers and employees in order to identify areas that require development and to encourage continuous improvement.

A new electronic probation system known as eProbation – embedded on ePMDS – was developed to an advanced stage. The transitioning of Departments and Offices to ePMDS continued in line with their transition to HR Shared Services.

Resumption of Open Recruitment

Action 8 of the Civil Service Renewal Plan provides for the opening up of recruitment and promotions.

Assistant Secretary and Secretary General

Since July 2011 all senior posts in the civil service have been open to internal and external candidates.

Assistant Principal Officer and Principal Officer

Last year (2015), the Civil Service Arbitration Board, following consideration of the cases put forward by management and unions, decided that the sequence of promotions at Principal Officer level should be 2 open and 1 departmental (i.e. internal), with no inter-departmental component. It further decided that the sequence of promotions at Assistant Principal should be 1 open, 1 inter-departmental and 1 departmental. This decision, to be reviewed in 2 years, was a significant opening of these competitions where the open element was about 20%.

Establish a New Shared Model for Delivering Learning and Development

The Civil Service aspires to create an organisational culture where all members of staff have the opportunity and are actively encouraged to learn and develop a range of professional skills and competencies throughout their career, to support the highest levels of individual and organisational performance. Action 9 of the Civil Service Renewal Plan aims to support that vision by establishing a new shared model to deliver Learning & Development for the Civil Service. This is a major transformational project with enormous potential to enhance capability, professionalism and engagement of all civil servants. This will not alone result in a strong, professional staff with consistent and high quality skill sets, but it will generate efficiencies and economies of scale from the establishment of a procurement framework. Broader impacts will also be achieved in developing leadership and supporting talent management and staff mobility.

In 2015, good progress was made, i.e. model agreed by CSMB, Project Manager assigned, RFT for business case prepared, issued and evaluated, and CSMB appraised of outcomes. Departmental Business Partners were appointed and work commenced on designing and agreeing the new core curriculum. In addition, an implementation plan was drafted and the project team were resourced collectively from a number of Government Departments.

This project can be segmented into 4 separate projects, running parallel, namely

- Core curriculum team
- Skills register and reports dashboard team
- Portal / L&D delivery and support system team (design and test)
- Change management team

The project is currently on target for full implementation by the end of 2017 assuming all the required resources are made available to ensure the vision as agreed becomes a reality.

8. Driving Reform: The Wider Public Service

Public Service Reform

The focus of the Reform and Delivery Office (RDO) in the Department in 2015 was on the continued implementation of the Public Service Reform Plan 2014-2016, which was published in January 2014. This is the second Reform Plan and builds on the progress made in implementing the first Public Service Reform Plan which was published in November 2011.

The first Public Service Reform Plan, having regard to the fiscal crisis, focused on ways to consolidate and reduce costs, eliminate duplication and improve expenditure controls. The second plan sets out a new phase of reform with the ambitious goal of better outcomes for all stakeholders, be they citizens, businesses or public servants themselves. The Plan aims to improve public services while continuing to achieve greater efficiency in how services are delivered and has 220 specific actions. The RDO actively monitors progress on the 220 actions in the plan on a quarterly basis and supports the governance model that drives implementation of the Plan.

In March 2015, the First Progress Report on the Public Service Reform Plan 2014-2016 was published. The report outlines the strong progress made on cross-cutting reform in priority areas such as the use of alternative models of service delivery, improved engagement with customers; increased digitalisation of services; and greater openness, transparency and accountability. It also included a wide range of examples of reform initiatives from right across the Public Service. A video on Public Service Reform was developed as part of the communications on the progress report.

A major Public Service Reform Conference coincided with the publication of the Progress Report in March and was attended by over 350 delegates, representing more than 80 bodies from across all sectors of the Public Service. The conference involved some 26 speakers and session chairs who led the discussion across a broad range of topics.

The RDO supported the development of 21 Integrated Reform Delivery Plans (IRDPs) for 2015 from the major Sectors, Departments and Offices. These plans set out how Departments and Offices would implement the cross-cutting reforms in the Public Service Reform Plan, as well as organisation and sector specific reforms, including the implementation of the Haddington Road Agreement, and the Lansdowne Road Agreement. Reporting by Departments and Offices on IRDPs is facilitated by an online reporting tool and is done quarterly for the four main sectoral Departments and every six months for other Departments and Offices.

Further development of the Reform Office Portal was undertaken in 2015. The portal is a key communications tool for the RDO and is designed to provide support to public servants across all sectors, particularly those who are implementing change. Material includes a wide range of guidance documents – for example, a comprehensive guide on programme management was developed for the portal during 2015. In addition, RDO staff gave presentations to a large number of groups of public servants throughout the year, and six issues of the reform newsletter were issued to portal subscribers (of which there were more than 1,200 at the end of 2015).

In 2015, the RDO organised tailored change management training for over 130 Public Service staff involved in leading change. Initially, the training was targeted at staff in Departments and Offices. Later in 2015, it was extended to staff working on reform initiatives across the wider Public Service. In 2015, the RDO also helped to promote an initiative which involved the provision of tailored Service Design Training workshops for public bodies.

As part of its work in promoting the Quality Customer Service initiative across the Civil Service, the RDO held three meetings of the Quality Customer Service Officers' Network in 2015, as well as the annual Quality Customer Service conference in December 2015. The RDO organised the provision of Plain Language training for more than sixty public servants from 20 organisations.

A Civil Service Customer satisfaction survey was commissioned as part of the implementation of the Public Service Reform Plan 2014-2016 and the Civil Service Renewal Plan 2014. The survey was undertaken by Ipsos MRBI on behalf of the RDO. Fieldwork took place in the first quarter of 2015 and involved over 2,000 face-to-face interviews conducted nationwide and the results were published in May.

The RDO also developed its role in sharing best practice with other jurisdictions and international bodies during 2015. This included the organisation and hosting of, and participation in, events with the UK Cabinet Office and the Northern Ireland Civil Service, as well as extensive engagement with other visiting delegations and the OECD.

Alternative Models of Service Delivery Unit

During 2015, the Department assisted Civil and Public Servants in making appropriate use of Alternative Models of Service Delivery, including External Service Delivery (ESD). The Department engaged with and provided advice to important public service ESD projects that were delivered or substantially progressed during 2015 such as Jobpath, as well as the administration of the Water Conservation Grant, at the Department of Social Protection; and telephonic interviewing as part of the Quarterly National Household Survey in the Central Statistics Office.

The Department received and reviewed progress reports from Departments and Offices arising from their External Service Delivery plans throughout 2015. The purpose of these plans is to drive efficiencies and reduce costs through the use of external contracts, whilst simultaneously protecting the quality of services to the public. The Unit furnished advice, where necessary, to public sector bodies to assist them in the evidence-based approach to externalising business processes.

A programme of learning and development was continued during 2015 and a specially-tailored two-day introductory training course, in addition to a number of advanced ESD modules, were delivered to approximately 100 public sector managers who have responsibility for ESD projects in their organisations. Furthermore, the Unit provided public servants with handbooks, online resources, publications and quantitative and qualitative evaluation tools. These resources assisted public service managers to assess and measure whether potential projects are both viable and suitable for external delivery.

The Department progressed a programme of change to transform the manner by which the State resources human, social and community services that are delivered through indirect provision. The Department is driving this programme in association with the Departments of Health, Children & Youth Affairs, and the Department of Environment, Community and Local Government. This initiative involved a significant programme of engagement with interested stakeholders and the general public throughout the year, including an Open Policy Debate in October and a full written public consultation which was published in December. The consultation and engagement process was informed by an independent international evidence review commissioned and published by the Unit during 2015.

The Department is responsible for funding and providing advice to Benefacts.ie. This entity commenced operations during 2015 and the website was at final testing stage by year-end. This project will deliver a data collection, classification, cleansing and reporting system for regulatory data on the entire not-for-profit sector. This information will be made available to the public through an

online platform. The Department provided match funding to this important data initiative in collaboration with Atlantic Philanthropies and the Ireland Funds.

Debt Management

In 2014 the Department published a review of debt management performance across five sectors; the HSE, Local Government, Department of Social Protection, Department of Agriculture, Food and Marine and the Courts Service. The review contained a number of cross-departmental and department/sector specific recommendations to be implemented over two years. In 2015 a chairman was appointed to the Implementation Project Board, which is driving the implementation of these recommendations and a programme leader has been engaged to lead the delivery of debt management reforms.

During 2015, the Implementation Project Board met on five occasions. The Programme Leader successfully undertook a number of pilot projects with Local Authorities to improve their debt management and collection performance. Local Government introduced a new reporting template for commercial rates, to improve debt collection across the sector. The Department of Agriculture, Food and the Marine introduced a new Collection Management System, to improve their debt management processes and increase their collection levels. The Implementation Project Board will conclude their work and report in June 2016.

Regulation of Lobbying Act 2015

The Regulation of Lobbying Act 2015 (No. 5 of 2015) was signed into law in March 2015 and commenced on 1 September 2015. In addition to elected politicians and special advisers, the two top levels in the Civil Service and in Local Authorities have been prescribed as Designated Public Officials (DPOs) or “the lobbied” – these are

- a. the Secretary General and Assistant Secretaries/Directors in the Civil Service and
- b. CEOs and Directors of Services in Local Authorities.

Details of the DPOs can be found on the website of each public body.

The purpose of this Act is to establish a web based register of lobbying activity and to deliver appropriate transparency on “who is contacting whom about what”.

Lobbyists were required to register and make their first return with the Standards in Public Office Commission on www.lobbying.ie by Thursday, 21 January 2016, if they had engaged in lobbying activities during the first relevant period which was 1 September to 31 December 2015. Three returns in total per year are required. So future relevant periods will be: 1 January to 30 April, 1 May to 31 August and 1 September to 31 December.

More than 2,700 returns have been submitted to the lobbying register and are now available for viewing by the public at www.lobbying.ie. There is no charge to view material on the lobbying register. To date over 1,100 persons and organisations have registered on the lobbying register.

Guidance notes and other supports are available on www.lobbying.ie. Organisations may also contact the Standards in Public Office Commission if they wish to attend briefing sessions on the Act.

Protected Disclosures Act

The Protected Disclosures Act, developed by the Department and enacted in 2014, provides a single, over-arching and generally applicable regime for the protection of workers who make a protected disclosure (as opposed to the previous sector-by-sector approach).

All public bodies are obliged under the Act to have procedures in place to deal with protected disclosures and made available to their workers. In September 2015, following an extensive consultation process with public bodies, the Department published comprehensive Guidance for Public bodies on the implementation of the Act in draft form. The guidance was finalised, having taken account of a public consultation process held during Q4 2015.

The Workplace Relations Commission, in consultation with staff and employer representatives, developed a Code of Practice giving guidance and setting out best practice to help employers, workers and their representatives understand the Protected Disclosures Act. This was placed on a statutory basis by the Minister of State for Business & Employment in Q3 2015.

Data Sharing and Governance Legislation

Better sharing of data across government departments and agencies is a priority of the 2011-2016 Programme for Government, the Public Service Reform Plan 2014-2016, and the Public Service ICT Strategy. Government agreed to the preparation of Heads of a Bill to mandate greater data-sharing and data-linking in the public service, provide a legal mechanism to facilitate lawful data-sharing and data-linking for all public bodies, and define standards for data governance and security to be followed in any data-sharing or data-linking activities.

Following a public consultation process at end 2014, the Department prepared a draft General Scheme of legislation during H1 2015 and, in July, the Government approved the drafting by the Office of the Attorney General of the Data-Sharing and Governance Bill and referral of the General Scheme of the Bill for pre-legislative scrutiny by the Oireachtas Joint Committee on Finance, Public Expenditure and Reform.

The European Court of Justice issued a number of judgments during 2015 that have implications for the EU-wide regime upon which Irish data protection law is based. During H2 2015, the Department sought to consult a number of relevant actors to determine what, if any, implications that evolving ECJ jurisprudence may have for the Data-Sharing and Governance legislative proposal and also sought the views of the Office of the Attorney General.

Statute Law Revision Programme

The Statute Law Revision Act 2015 was enacted in July and revoked 5,782 secondary Instruments made before 1 January 1821, including Government Proclamations, Directions and Orders. The Act also provided for the abolition of the provisions contained in the Statutory Instruments Act 1947 which permitted class exemption of statutory instruments from publication.

Significant progress was also made on The Statute Law Revision Bill which was published in January 2016. When enacted, it will repeal 294 Public General Acts enacted by the Oireachtas between 1922 and 1950 that are now spent or obsolete and result in a significant reduction in the size of the Statute Book for that period.

Revised State Board Appointments Process

Government agreed in 2014 to introduce a new system for State board appointments (building on the earlier innovations of 2011) which has the following key principles at its core:

- the promotion of wider access to opportunities on State boards;
- the establishment of detailed and comprehensive criteria for those roles; and
- the introduction of transparent and rigorous assessment of candidates against these criteria.

The Minister for Public Expenditure and Reform issued Guidelines in November 2014 setting out clearly how the new appointments process for State boards is to work in practice.

During 2015, the Department sought to raise awareness of the Government's revised policy approach and the new Guidelines on State Board Appointments by way of Ministerial speeches, presentations and engagement with relevant stakeholders.

The functionality and accuracy of the State board membership database maintained by the Department and accessible via the StateBoards.ie website was also significantly improved.

By end 2015, 304 vacancies have been advertised on 70 State Boards. 209 appointments have been made to 53 State boards under the Guidelines. Of the over 3300 applications received for campaigns completed, over 30% came from women, whilst 45% of the appointments are female. There are 4,658 people registered on www.stateboards.ie to be notified of vacancies arising on State boards.

Public Sector Standards Bill 2015

Government agreed to the publication of the General Scheme of a Public Sector Standards Bill in June 2015. The Public Sector Standards Bill 2015 was published on 23 December 2015 and completed Second Stage in the Dáil on 20th January 2016.

The Public Sector Standards Bill aims to significantly enhance the existing framework for identifying, disclosing and managing conflicts of interest and minimising corruption risks, to achieve a shift towards a more dynamic and risk-based system of compliance and to ensure that the institutional framework for oversight, investigation and enforcement is robust and effective. This Bill consolidates the current legislative framework governing the ethical obligations of public officials and gives effect to the recommendations of the Tribunals.

Involvement with International Organisations

The Department also contributed to Ireland's response to evaluations and initiatives promoted through the UN Convention against Corruption, OECD Working Groups on Bribery and on Public Integrity, and the Council of Europe Group of States against Corruption (GRECO).

Freedom of Information Act 2014

The Freedom of Information Act 2014 was introduced in October 2014, repealing the 1997 and 2003 FOI Acts. It extended the Act to some 66 public bodies in 2015. In addition, as new public bodies are established, they will automatically be subject to FOI, unless they are specifically exempt by order made by the Minister.

In October 2015, following public consultation, the Minister for Public Expenditure and Reform published a Model Publication Scheme and accompanying guidance document, to be adopted by all FOI bodies. The scheme commits FOI bodies to make information about them and their operations publicly available as part of their normal business activities in accordance with the scheme.

In December 2015 the Minister published an FOI Dispute Policy and Procedure to provide an orderly method for resolving issues raised via section 6(7) of the FOI Act, where a dispute arises over whether an entity is a public body for the purposes of the Act or not.

To support the proper functioning of FOI, a multi-supplier framework provides consistent and appropriate training to FOI Officers, decision makers and internal reviewers. A total of 72 contracts were awarded to the end of 2015 with approximately 2,849 participants trained under this framework arrangement.

The content on the FOI website (www.foi.gov.ie) was updated and further related work will continue on this in 2016. Additionally, FOI guidelines were developed, the FOI Networks each met four times in 2015, two FOI newsletters and a number Frequently Asked Questions were published to assist public bodies in processing requests. The FOI Central Policy Unit in the Department provided support and advice to citizens and FOI bodies through its helpdesk and presented at a number of conferences and training events throughout the year.

Corporate Governance

- Corporate Governance Standard for the Civil Service

A Corporate Governance Standard for the Civil Service was developed and published. This followed on from a commitment in the Civil Service Renewal Plan (2014) to strengthen corporate governance in the Civil Service in line with international best practice. In November 2015, following a public consultation process the Government approved the Corporate Governance Standard for the Civil Service, and its publication. The Standard requires Departments and Offices for the first time to document and publish their governance arrangements, the core elements of which and good governance principles are identified in the Standard.

The development of the Corporate Governance Standard has been driven by the Civil Service Management Board which has responsibility for driving the implementation of the Civil Service Renewal Plan. Departments'/Offices' individual governance frameworks were developed by end March 2016. To facilitate this, in 2015/6 the Government Reform Unit developed and put in place a training and support programme.

- Publication of 'who does what and to whom they are answerable'

The website, whodoeswhat.gov.ie, was developed for the Civil Service. This followed on from Action 21 of the Civil Service Renewal Plan which states that each Department will annually publish an assignment framework that describes 'who does what and to whom they are answerable' for senior managers. The Public Service Management Act 1997 provides a statutory framework for the assignment of specific functions from the Secretary General to officials within Departments. Accordingly, whodoeswhat.gov.ie sets out an organisational chart for each Department/Office, a description of the responsibilities assigned to each senior manager, their name, Division, and contact details. It is intended that this will improve public accountability by clarifying the responsibilities and accountabilities of senior managers. The development of this website has been driven by the Civil Service Management Board.

- Development of the Transfer of Functions Guidelines and Best Practice Handbook

A Transfer of Functions¹ Guidelines and Best Practice Handbook was developed following on from a commitment in the Civil Service Renewal Plan. To assist with the development of this Handbook, a Sounding Board Advisory Group, chaired by Mr Tom Moran, retired Secretary General, Department of Agriculture, Food and the Marine was established. It drew on the experience, knowledge and practical understanding of senior officials across the Civil Service.

¹ Transfer of Functions refers to the allocation of functions and responsibilities between Ministers and Departments. The Taoiseach, as head of Government (Article 13, Constitution), is responsible for the allocation of functions between Ministers, and for the overall organisation of the government.

This Handbook sets out the principles that should underpin Departments' implementation of transfer of functions, the role of key players, the process to be undertaken in the development and finalisation of the relevant Transfer of Functions Orders, as well as the necessary financial arrangements and communications processes. The Handbook was approved by Government in January 2016.

- Finance (Transfer of Departmental Administration and Ministerial Functions) Order 2015

The Finance (Transfer of Departmental Administration and Ministerial Functions) Order 2015 was made by Government transferring a number of statutory functions from the Minister for Finance to the Minister for Public Expenditure and Reform. The functions transferred were within the policy intent of the Ministers and Secretaries (Amendment) Act 2011 which established the Department of Public Expenditure and Reform. The functions relate to areas, including housing, national monuments, local government, and succession, the majority of which are consent functions.

Extension of the Ombudsman's Remit to Private Nursing Homes

The Ombudsman's remit was extended, by Ministerial Order, to include private nursing homes whose residents are in receipt of State support or subvention. By extending the Ombudsman's remit, greater accountability and assurance is afforded to patients of these nursing homes and to their families. In advance of finalising the Ministerial Order and as prescribed by the Ombudsman (Amendment) Act 2012, the Minister for Public Expenditure and Reform undertook a consultation process involving the Ombudsman, Ombudsman for Children, and the Joint Committee on Health and Children. In addition, the Minister also consulted with the Oireachtas Joint Committee on Public Service Oversight and Petitions, the Health Service Executive, the Health Information and Quality Authority, and Nursing Homes Ireland.

Open Data

Implementation of the Open Data actions will lead to more open, transparent and accountable government and has the potential to reap significant benefits. Significant progress was made in 2015 in furthering the Open Data Initiative. Measures in 2015 included:

- Ongoing development and enhancement of the portal, <https://data.gov.ie>.
- Working with the Public Bodies Working Group (PBWG) on practical/technical issues. The PBWG developed a technical framework (setting requirements for licences, formats, metadata, standards, etc.) to underpin the publication of datasets.
- The launch of a public consultations on Open Data Licences, the Technical Framework, and a Foundation Document for the development of an Open Data strategy
- Adoption of the Open Data Technical Framework, including the selection of the Creative Commons Attribution (CC-BY) 4.0 International licence as Ireland's Open Data licence.
- Outreach and dissemination activities with stakeholders - from public bodies; business; the research and academic community; and from civil society - to create awareness of, promote, and seek views in relation to the Open Data Initiative.
- Establishment of an Open Data Governance Group to provide strategic leadership for the next phase of the Open Data Initiative.
- Research of international best practice for Open Data, including engaging with international measurement activities and meeting with the Northern Ireland administration to consider possibilities for cross-border cooperation and experience sharing.

Re-Use of Public Sector Information

Directive 2013/37/EU on the re-use of Public Sector Information (PSI), and the earlier 2003 PSI Directive, which it amends, create an EU statutory framework for the re-use by businesses and citizens of existing information held by public sector bodies in new products and services. The Directives affect how information can be re-used, once it has been legitimately accessed, by placing obligations on the public sector to the benefits of re-users with the aim of boosting economic activity, but they do not create any new rights of access to information.

Directive 2013/37/EU was transposed by way of Statutory Instrument 525 of 2015, signed into law by the Minister for Public Expenditure and Reform in November 2015. This amended the existing PSI regime in the following ways:

- The general principle underlying the PSI regime has been changed to ensure that accessible documents are re-usable for commercial and non-commercial purposes;
- The fees chargeable by public sector bodies for re-use of documents have been capped at marginal cost, with important exceptions;
- The means of redress available to a re-user now includes the possibility of review by the Information Commissioner;
- The scope of the regime has been extended to documents held by museums, libraries and archives, with important differences around charging and permissions; and
- There are new transparency requirements for situations in which charges are made.

The Department also issued a Circular to all Government Departments and Offices, advising them of the updated PSI regime and revised conditions for charging.

Open Government Partnership

Ireland became a full member of the [Open Government Partnership \(OGP\)](#) which aims to support transparency, empower citizens, combat corruption and use new technologies to strengthen governance. Ireland hosted the OGP Europe Regional Meeting in May and published its first [OGP National Action Plan](#), in July 2014. The measures in the National Action Plan span concrete actions in three areas: Open Data, Citizen Participation and Strengthening of Governance and Accountability. The Department hosted a public Consultative Event in July 2015 to assist in raising awareness of the OGP and in broadening participation of citizens and civil society in the initiative. The Department assessed progress made in implementation and published a Mid-term Self-Assessment Report in September 2015. An independent review was also carried out by the OGP Independent Reporting Mechanism.

The Independent Review was positive in its assessment of the Government on its implementation of the ambitious commitments in the Plan and of the process of consultation undertaken during the development and implementation of individual actions in the Plan. It noted that 23 of the 30 actions were substantially advanced or fully completed at the mid-way point of implementation and 4 of these initiatives were assessed as having “transformative potential impact” - strengthening of ethics in public office legislation, the regulation of lobbying legislation, Whistleblower protection legislation and the holding of referenda on same-sex marriage and on the age of candidacy for presidential elections.

9. Driving Reform: Getting the Best from ICT

The Office of the Government Chief Information Officer (OGCIO) was established in 2013 under the Public Service Reform agenda as part of the drive to maximise the benefits of ICT in improving the efficiency and effectiveness of Public Service delivery. The Government CIO is responsible for developing and implementing an ICT Strategy for Government that ensures an integrated approach to the exploitation of ICT across all Departments and Public Service Bodies, accelerating the delivery of digital services across Ireland and a transformation in the use of the Government's information assets.

The [Public Service ICT Strategy](#), approved by Government, was launched by the Minister for Public Expenditure and Reform in January 2015. The OGCIO is the lead agency to drive forward its implementation working together with Departments and agencies across the Public Service. The Public Service ICT Strategy identified 5 key strategic objectives setting the future direction for innovation and excellence in ICT within the Public Service: Build to Share, Digital First, Data as an Enabler, Improve Governance, and Increase Capability. The Strategy is also aligned with the Civil Service Renewal Plan, in particular through actions 14, 19, and 24 of that plan.

In addition to the Public Service ICT Strategy, OGCIO has a broad remit which includes responsibility for:

- the provision of all ICT services to the Department of Public Expenditure and Reform and the Department of Finance;
- the provision of ICT infrastructure for National Shared Service Office and the Office of Government Procurement;
- supporting digital service delivery and innovation initiatives across the Public Service through the development and application of a range of ICT policies;
- oversight of ICT-related expenditure by Departments and agencies; and,
- representing Ireland at EU level in relation to public service ICT, eGovernment and CIO working groups and fora.

Taking forward the Public Service ICT Strategy was the primary focus of the OGCIO for 2015, in particular to identify the scope of potential strategic initiatives and mobilising activities across a number of the streams. In parallel, and to support the development of an implementation plan for the Strategy, an exercise to baseline ICT across core Departments and agencies was undertaken.

Public Service ICT Strategy Programme 2015

The PS ICT Strategy is a multi-year programme and is still very much in its initial stages. However, some significant progress was achieved during 2015:

Build to Share

- **Government Networks**

Public Service Bodies in 70 towns and cities around the country now have access to high speed, resilient network connectivity. The Government Cloud Network has been expanded to include the provision of multiple dedicated network links between PSB data centres and private data centres nationwide with onward connectivity to public cloud service providers. These links allow Public Service Bodies to avail of both public cloud services and the common ICT infrastructure deployed on the Government Cloud. Evaluation of new and emerging mobile data technologies is under constant evaluation to enable the connectivity of mobile workers and small office locations nationwide.

Government Networks provides a number of services to the non-commercial Public Service underpinned by a large scale private network. In addition to the above, activities in 2015 include:

- The Environmental Protection Agency had their large sites connected resulting in significant cost savings over previous connections.
- Teagasc large sites nationwide were connected to Government Networks enabling new levels of access to high speed connections.
- Education and Training Boards administrative offices were connected to Government Networks and are now availing of Shared Service applications and systems.

- **Common Applications**

Building on its successful implementation in the Departments of Public Expenditure and Reform and Finance, **eSubmissions**, a common application to manage submissions internally in Departments, has been developed and is available to Departments to rollout. The pilot implementation is well advanced in the Department of Justice. The process to on-board the Departments of Education and Skills and Health onto the common platform is complete with rollout of the applications in these Departments to follow in 2016.

The development of an **eCorrespondence** application was initiated with The Department of An Taoiseach, alongside D/PER and Finance, involved as the build and test partner supporting the project. The development of the **ePQ** application is also part of this programme and these applications are scheduled to be available to Departments to implement during the latter part of 2016.

- **Common ICT Infrastructure – The Government Cloud**

The ICT baseline exercise, carried out in early 2015, highlighted the potential for consolidation and rationalisation of ICT technical infrastructure to reclaim expensive real estate, lower computer room/ data centre running costs and deliver efficiencies. Significant progress has been made with the analysis of options for the deployment of a cost-effective, shared ICT infrastructure for use across the Public Service - the Build to Share Government Cloud. These include areas such as Infrastructure Landscape, Target Operating Model, Budget, and chargeback models, Relationship and Supplier Management, Service Catalogue Definition, Deployment Roadmap, Governance, Reporting and Capacity Management and an On-boarding Approach.

Digital First

Ireland generally ranked well in the **EU Commission eGovernment benchmarking** published in June 2015. Ireland remains in the top grouping for User Centricity, has improved in two other categories - Transparency & Cross-border Mobility – and, with the position unchanged, Ireland remains in the lowest grouping for Key Enablers (eID, Single Sign On, eDocuments, eSafes and Authentic Sources).

Data as an Enabler

As mentioned above, while Ireland ranks well generally in the recent EU Commission eGovernment benchmarks, it ranked poorly in the area of “Key Enablers” such as electronic ID. The **Public Service Card** is intended to be the method by which citizens can access Public Services. The OGCIO continued to playing a central role in supporting the **Department of Social Protection (DSP)** in its engagements

with other Departments and agencies as they adopt the Public Services Card as the means of citizen authentication. OGCIO is working with the **National Archives** on devising a 3 Year **Public Service Records Management** plan to improve and protect both physical and digital records across Government.

Governance

OGCIO continued its work with the CIO Council and CIO Executive to progress the ICT Strategy. OGCIO continues to work on policy development to support Departments and agencies with the application of ICT. OGCIO developed an [Advice Note - Considering Cloud Services](#), which was published in December 2015.

Increase Capability

The OGCIO, in conjunction with the new Head of Civil Service HR and the CIO Council, is leading the development of plans to address recruitment, retention, mobility, and professionalisation of ICT staff in the Civil Service.

Internal Stakeholder ICT Services

In addition to working on the Public Service ICT Strategy, the OGCIO continued to enhance its ICT services offerings working with the direct business partners across the Department, the National Shared Service Office (including PeoplePoint and the Payroll Shared Service Centre), the Office of Government Procurement, and the Department of Finance. Some key highlights from the OGCIO internal work programme during 2015 included:

CIO Office

The CIO Office encompasses the internal corporate support function as well as being the primary liaison with key OGCIO stakeholders, internal and external, on a range of fronts.

- Managed the project to relocate OGCIO.
- €5 billion of ICT-related expenditure approved across 90 organisations.
- Framework established for the drawdown of ad hoc ICT skilled Resources.
- Project support for:
 - Financial Management Shared Service.
 - OGP business projects.
 - eCohesion Project.
- OGCIO continues to operate the [@eGovernment Ireland](#) Twitter account to promote online services and engaged with the public via a dedicated, monitored, email address for enquiries on eGovernment matters.

ICT Unit

OGCIO provides ICT infrastructure and support services for desktop, infrastructure and core applications for its customer base.

- ICT infrastructures and associated services supporting over 1,600 staff, spread over 20 sites countrywide, in offices of our direct Business Partners.
- ICT Unit Service Desk responded to over 15,000 calls providing cover available on 24*7 basis, including an On Call service.
- On boarding of staff and buildings fit out and refurbishment completed.
- Establishment of IT infrastructure and systems for the OGP and the NSSO (PP, PSSC, and FMSS) across approx. 12 locations nationwide.

- Internal 'Cloud' infrastructure for ICT Strategy Build to Share Platform.
- On-going support for PeoplePoint project and operations. This work included the migration of 18 Departments/Offices supporting their successful transitioning to PeoplePoint.

Government Networks

In addition to providing services to the broader public service, Government Networks also supports internal ICT service delivery.

- Connectivity between Department Data Centres.
- Connectivity services to all offices supported by ICT Service Delivery.

Systems & Data

OGCIO provides technical support and guidance to its service users across a range of areas including websites.

- eDocs Records Management system implemented (85% rollout D/FIN; 5 business areas rollout D/PER).
- Move to public facing web infrastructure to public cloud (50%).
- ePMDS application live and 86% of completion in its first year.
- Launched CS HR Databank and Pay Scales Maintenance and Reporting System
- Departmental Guidelines on file management rewritten and published.

Engaging at EU & International Level

Policy development at a national level is informed by a number of EU & International activities. OGCIO represented Ireland in a number of these activities, including:

- Monitored developments and represented Ireland at various international forums (EU, OECD) when necessary.
- Continued leading Ireland's National Consortium in the EU e-SENS (Electronic Simple European Networked Services) project.

10. Driving Reform: Getting Value for Money in Procurement

During 2015, the Office of Government Procurement (OGP) continued to lead the implementation of the Procurement Reform Programme (PRP), bringing increased levels of collaboration and consistency to public service procurement. In the three years to the end of 2015, the OGP and its partner sector sourcing organisations in Health, Education, Local Government and Defence had enabled procurement savings of an estimated €165 million.

In 2015 a review was undertaken of the PRP and a re-baseline exercise was carried out. This exercise identified a number of factors which had an impact on the objectives that were set when the OGP was established. In particular, the time taken to build up the staffing resources of the organisation was longer than anticipated resulting in constrained capacity in the initial years. The context of the programme had also changed since its commencement, with economic recovery already putting upward pressure on prices for goods and services. Notwithstanding these factors, the review concluded that substantial benefits for the State remain by continuing the programme. The re-baseline exercise set new targets for the years ahead and the projected savings for the next three years (2016 -2018) are now in the range of €80 million to €100 million per annum for the programme as a whole.

A total of 24 frameworks, 73 contracts and 37 mini-competitions were delivered by OGP in 2015. Throughout the year, the OGP worked to develop comprehensive specifications in areas such as professional services, ICT, facilities, travel services, HR, utilities and managed services. It is notable that some of these expenditure areas such as legal costs, software, catering and cleaning had not previously been addressed at a whole-of-government level. The estimated annual spend value of arrangements put in place by OGP in 2015 is €357 million and savings enabled amount to over €34 million. The combined savings from all the sector sourcing organisations amount to over €65 million for the year as a whole. Frameworks put in place in 2015 will continue to enable further savings for the State in 2016 and beyond.

A key objective of the programme is to strengthen spend analytics and data management. In March 2015 OGP published its first public report - *Public Service Spend and Tendering Analysis for 2013* - analysing €2.742 billion of expenditure data gathered from 64 large Public Service Bodies. This report gives an indicative view on how much the Public Service is spending, with whom and on what categories of goods and services, which facilitates fact-based procurement decision making.

The 2015 OGP Target Schedule of Frameworks and Contracts, first published in December 2014, was aligned to the gathered requirements of the larger Government departments and agencies. OGP continued to gather and review information on the requirements of public service bodies throughout the year. In view of the enormous volume, value and complexity of requirements across the State, the OGP constantly reviews its sourcing programme to prioritise activity that will best serve requirements, enable savings and ensure compliance with proper procurement processes. The target schedule is updated quarterly and published on www.procurement.ie to give clients and the market a nine month forward view of the OGP service delivery plan. This move brings transparency and affords SMEs time to construct consortia and bid for public service contracts.

The OGP is tasked with achieving sustainable savings and is taking a balanced approach to delivering value for the taxpayer, ensuring that public procurement is accessible by all business, including SMEs. The High Level Group on SME Access to Public Procurement continues to develop and monitor strategies facilitating SME access to public procurement. Working in conjunction with Enterprise Ireland and InterTradeIreland, The Local Enterprise Offices (“LEOs”) continued to deliver procurement seminars to SMEs in 2015. Established in 2014, a network of 31 LEOs operates across the country,

providing a first-stop-shop service for SMEs while working to identify and address their training needs.

The OGP also launched the Tender Advisory Service on a pilot basis in 2015, providing an informal outlet for potential suppliers to raise concerns in relation to a tender process where perceived/real issues may remain after the clarification process set out in the Request for Tender document has been exhausted.

These initiatives address stakeholder concerns and ensure that SMEs can access public procurement opportunities. This is vital to the Irish economy, as SMEs account for 99.7% of all enterprises and 68% of all employment. The importance of the link between market opportunities for SMEs and public procurement is reflected in the Government's annual Action Plan for Jobs.

The OGP actively engaged throughout 2015 in a number of communication events including 'Taking Care of Business', designed to help small and start-up business, 'Meet the Buyer', an opportunity for suppliers to meet major public sector buyers and 'Go-2-Tender', workshops designed to provide tailored advice and guidance and assist with tender development. In 2015 approximately 4,000 people attended events where OGP was actively involved. These events help to foster awareness of and enable participation in the public procurement process.

The volume of queries into the OGP Customer Helpdesk tripled during 2015, reflecting growth in OGP's operations. Averaging 115 queries a week, the percentage of queries closed within 24 hours stood at 93% at the end of 2015.

In 2015, work also continued on the process of transposing the EU Procurement Directives into Irish law.

In recognition of its work to date the OGP was awarded the Public Procurement Excellence Award at the National Procurement and Supply Chain Awards 2015.

11. Driving Reform: Shared Services

Context

Shared Services is a major part of the Public Service Reform programme, focusing on service, value and efficiency, enabled by technology, to ensure the most appropriate use of resources to benefit citizens. Shared Services delivers a consistent and standardised level of service that provides better management information to enhance decision making and frees up Public Servants to focus on more strategic areas and core services. It reduces duplication across organisations and improves efficiency.

The National Shared Services Office

The National Shared Services Office (NSSO) was established on an administrative basis initially within the Department of Public Expenditure and Reform in 2014 to lead shared service strategy across the Civil Service. The NSSO also plays an important role in relation to policy for shared services across the wider Public Service, including setting standards, research and policy development, and providing guidance and advice.

Included in our achievements for 2015 are:

- Continued successful transition of client departments and public service bodies to the two Civil Service shared service centres; PeoplePoint and the PSSC.
- Recognition of good practice:
 - The PSSC won the Leading Civil Service Renewal Award at the Taoiseach’s Civil Service awards
 - PeoplePoint won the Shared Service Centre of the Year Award at the CCMA Awards (a professional education and network organisation developing professionalism and high standards within the call centre and shared services industry).
- Progression of the draft Heads of Bill to establish the NSSO as a separate Civil Service Office. The draft NSSO Bill is due to be submitted to Government for approval to publish it in 2016. It will result in the NSSO becoming a separate Civil Service Office under the aegis of the Department of Public Expenditure and Reform, with its own Accounting Officer.
- Publication of research into shared services in the Public Sector in Ireland which confirms that Ireland has made significant progress within a relatively short period of time and that the scale of ambition and ongoing investment in shared services is commendable. The independent report, entitled “*An Examination of Shared Services in the Irish Public Service and internationally*”, was published in December 2015. The report confirmed that Ireland compares well internationally in terms of the approach to shared services and the significant progress made on key projects in recent years; the governance and accountability frameworks put in place, including the establishment of the National Shared Services Office; and the anticipated headcount reductions and payback periods for the Irish Public Service, which are in line with international comparators.
- Launch of the PSSC web portal for its customers and the Customer Charter in PeoplePoint.
- Progression on the Financial Management Shared Services project towards the procurement of a single financial management solution with a common chart of accounts and standardised processes across 48 public service bodies with robust business continuity and disaster recovery and the capability to respond to emerging requirements.

Civil Service Shared Services Centres

In 2015 the National Shared Services Office advanced the HR, Pensions and Payroll Shared Services (PSSC) programmes to provide shared services to the Civil Service. The PSSC now provides payroll and travel and expense administration to 77,989 payees across 31 organisations including 45,000 retirees,

with annualised payments being made to the value of €2.7 billion. The PSSC is based in three locations; Galway, Killarney and Tullamore.

The number of new civil service departments, offices and public service bodies joining PeoplePoint, the human resources and pensions administration shared service centre, this year was 13, representing 30,100 civil servants across 35 public service bodies now receiving HR and pensions administration services. PeoplePoint, based in Dublin, manages high volume administration activities, providing various HR and pension services to customers in the areas of leave, absence, pension and pay administration.

Shared Services in other Public Service Sectors

The NSSO also has a leadership role in supporting the key Public Service sectors of Education, Health and Local Government as they advance their individual Shared Services Plans. The rollout of a local government payroll and superannuation shared service known as *MyPay* is continuing. This is led by Laois County Council, and twenty Local Authorities and the Local Government Management Agency are now 'live' in the *MyPay* Shared Service Centre.

A number of shared service projects are being advanced in the Education and Training Sector. These range from the upgrade of the existing Department of Education and Skills Teachers Payroll shared service to the introduction of Payroll Shared Services for the Higher Education Sector. In the Further Education and Training Sector progress continues on Payroll, Financial Management and ICT Strategy Shared Services for the 16 Education and Training Boards. In the Further Education, sector projects are underway which complement the ongoing transformation which has seen the Vocational Education Committees replaced by the 16 Education and Training Boards. Progress continues on Payroll, Financial Management and ICT Strategy Shared Services for the Education and Training Boards. In the Health Sector, a number of shared service projects are being progressed by the Health Service Executive through the Health Business Services unit. These include areas such as Payroll, Pensions, Recruitment and Financial management.

12. Supporting Our Staff to Achieve Their Mission

Human Resource Management

The HR Strategy Unit is responsible for the development and delivery of the Department's HR Strategy and for the provision of a wide range of HR services. The HR Strategy Unit is a key enabler that allows the Department to fulfil its core expenditure and reform objectives by ensuring that staff make the most effective contribution possible and possess the skills and knowledge required to meet the demands of modern government and the expectations of the Department's customers and stakeholders.

In 2015, the Department continued to expand both geographically and operationally to meet the business demands of Shared Services Offices, the OGP and the OGCI0.

The revised HR structure introduced the previous year to address these varied and complex challenges has proven to be a success. This has been particularly evident in effective industrial/employee relations support while also developing a new learning and development strategy and managing a significant programme of recruitment and selection.

The following sections briefly set out some of the main achievements of the HR Strategy Unit across its three functional areas during 2014:

HR Business Partnering

The Business Partnering (BP) function has continued to develop across the Department, positioning itself as a consultancy/advisory service that senior management and staff can draw upon as required. As well as managing Employee Relations on a case-by-case basis, the Business Partners organised more formal training opportunities, including presentations on the management of probation and introductory sessions for new line managers which were attended by some 300 staff across the country. A comprehensive suite of services has been provided to support Shared Services Offices, the OGP and the OGCI0 as they progress through their start-up phase and become more fully established.

In conjunction with PeoplePoint, the unit also manages a high volume of transactional HR cases and associated, often complex, queries relating to such issues as incremental pay progression; staff mobility and transfers; sick leave and CMO referrals; and leave and other entitlements.

A more strategic approach to the allocation of staffing resources has been adopted to ensure staff are working in roles most aligned with the Department's priorities, while the Workforce Planning Group is supported through the provision of staff trackers and HR metrics and briefing papers. The Business Partners also supported the recruitment and placement of more than 50 staff in the Department and worked closely with IGEES management on their recruitment campaigns.

There has been a continued focus on building productive relationships in the IR space through the formal mechanism of Departmental Council and through ongoing engagement with staff side representatives.

HR Operations

The importance of the recruitment and selection function continues to play an important role in supporting the Department to deliver on a challenging reform agenda and taking in large numbers of staff from across the civil and public service. In 2015 the Department took on 419 staff. The majority of these staff took up posts in the shared service areas (PeoplePoint and Payroll Shared Service) and the Office of Government Procurement.

The departmental induction programme is recognised as important, especially for new recruits to the civil service and eight sessions took place in 2015 for just under 150 staff. Regional Induction sessions were also held for Payroll Shared Service staff in Killarney, Tullamore and Galway.

To support and enhance our recruitment and selection operations, in 2015 we commenced a project to maximise technology efficiencies and with a view to streamlining operations and moving to an online recruitment model.

Organisational Development

The *ONE HR Learning and Development Strategy 2015-2017* sets out the Department's learning and development vision, mission and goals, which will be implemented over that period. Its overriding objective is to implement an array of learning and development initiatives that are fully aligned with the department's business objectives and provide opportunities for all staff to develop and reach their full potential. The Strategy received international recognition when it was shortlisted for the *2015 HR Excellence Awards* in the Best HR strategy overseas category.

Some 1,250 staff attended one or more formal learning and development interventions covering post-entry education, general and bespoke training programmes, continuous professional development and health and well-being initiatives. This is an increase of 86.5% on the number of staff completing one or more learning and development interventions in 2014. The Leadership and Performance Management Forum continued to offer advice and support for the suite of learning and development interventions implemented in 2015.

The learning and development interventions were complemented by a comprehensive Post-Entry Education Scheme supporting 89 staff pursuing academic programmes in a variety of disciplines including finance, governance, business and economics, HR, policy analysis, legal studies, information systems and procurement.

Continuing professional development (CPD) is a key component in the up-skilling of staff and their professionalisation. CPD was facilitated in each division of the department to cover attendance at seminars, conferences, short public training programmes and subscriptions to professional bodies.

Governance

In 2015 the Governance Sub-Committee of the Management Board continued its work to formalise best practice governance procedures in the Department. The Sub-Committee oversaw the development of an electronic document and record management system which was rolled out to staff from September 2015. The Sub-Committee investigated Knowledge Management in other organisations and laid the groundwork for the development of Knowledge Management within the Department, leveraging the new electronic document and record management system, known as eDocs. Preliminary work was undertaken to ensure compliance with the requirement under Freedom of Information Act, 2014 to provide a 'publication scheme' on the Department's website.

The office of the Chief Operations Officer (COO), under the guidance of the Governance Sub-Committee of the Management Board finalised frameworks for Governance and Compliance within the Department, including data protection and health and safety. The Governance Framework was later adapted to reflect the Corporate Governance Standard for the Civil Service, developed as part of the Civil Service Renewal Programme. An approach for the formal governance of the Department's interaction with bodies under its aegis was agreed by the Minister in November.

Both the Governance Sub-Committee of the Management Board and the Governance Working Group were involved in preparing the Department's business plans for 2015 and 2016 and the Annual Report for 2014.

Corporate Support

In addition to its ongoing core corporate functions, including administration and processing of Parliamentary Questions and Freedom of Information Requests for the Department, the Corporate Support Unit (CSU) introduced a comprehensive Health & Safety Manual and Safety Statement detailing all necessary policies and procedures for the Department. Risk Assessments of all Departmental buildings were carried out and official training for Fire Safety Officers and First Aid Officers was also undertaken. Work began on the new Model Scheme for Freedom of Information requests which was completed in 2016. After further consultation with the Department of Arts, Heritage and the Gaeltacht, the Irish Language Scheme for the Department was launched in September 2015.

Office of the Chief Medical Officer

The mission of the CMO's Office is to deliver an efficient and cost effective occupational health service as well as policy advice on occupational health matters to the Civil and Public Service. The Civil Service Occupational Health Department (CSOHD) functions within the CMO's office, and delivers these services. Occupational Health is concerned with how workers health impacts on his or her ability to do their job, and how work and the work environment can affect a worker's health.

An occupational health service and policy input is provided for the Civil Service, across 55 government offices and departments and 14 prisons countywide. This encompasses civil servants, prison officers, state industrial employees and defence industrial employees totalling over 38,000. Occupational health services are also provided to selected non-commercial semi-state organisations. In addition, pre-employment medical advice is given to the Public Appointments Service in relation HSE and local authority positions. 2015 was a busy year, during which the office dealt with approximately 10,500 client episodes, including case management, immunisations, audiograms and health screening.

The new Civil Service sick pay arrangements introduced in March 2014 were updated with a new circular in September 2015 (Circular 12/2015 Arrangements for Paid Sick Leave). The review process of the 2014 public sector sick pay arrangements is ongoing. As part of this, the CMO / DPER have liaised extensively with colleagues in other areas of the public sector to see how the current process can be improved.

The CMO's Office published a significantly updated 2015 edition of our Guide to Health Screening In The Workplace. This publication seeks to assist public sector employers and the Office of Government Procurement with sourcing employee health screening. Health screening tests are classified into beneficial, possibly beneficial, benefit uncertain and best offered by a General Practitioner / national screening programme. This classification is based on objective World Health Organisation criteria. A copy of these guidelines is available on request from the CMO's Office.

The CMO's website (www.cmo.gov.ie) has been upgraded to reflect various changes to work and health circulars in 2015. Our pre-employment health questionnaire is now available on this website and can be completed online. The CMO's office is now working on a HR Section of our website.