

Department of Public Expenditure and Reform

Programme for Government Commitments

- Requiring Annual Performance Reporting to meet standards of SMART governance.
- Upgrading the Evaluation Review process in both quality and coverage so that all programmes are subject to independent review in a standard Dáil term.
- The evolution of Service Level Agreements within a defined time period with key delivery agents within each Department to allow more devolved initiatives and accountability.
- Building on FOI reforms and committing to further changes and a more open FOI regime.
- Tied in to the processes involved in developing Action Plans and improved oversight of Departmental performance is the reform of the Budgetary process.
- Key to this is a fully resourced independent Budget Office within the Oireachtas available to all members.
- This is a key reform in making the functioning of government more effective and more transparent while giving the Dáil greater say in the development of Budgets and Deputies greater opportunity to propose substantive changes.

This could involve the following sequence of actions and outputs:

Pre-Budget Consideration

- Spring Statement sets the parameters on what is possible (April)
- Presentation of Tax Strategy Reports (July/August)
- Presentation of draft allocation of expenditures by Government (September)
- Separating out new initiatives with their projected cost and impact over a 3 year horizon (October)
- Scope for cost neutral amendment within each estimate area (October)

Better Scrutiny of Revised Estimates

- Estimate statements enhanced by also providing a Report detailing activity levels and outcomes from the spending programmes (February)
- Include "Tax Expenditures" in scrutiny with activity level and costings (February)
- A "comply or explain" requirement would apply in respect of recommendations of Expenditure Review (March/June)

Better Evaluation of Programmes

- Expenditure Reviews must be established on a more comprehensive basis than now occurs (Ongoing)
- The role of Department of Public Expenditure and Reform in this process must be clear and understood (Ongoing)

- The C&AG should play a role in identifying good practice and promoting good corporate governance as well as identifying failings (Ongoing)
- The use of competitive calls to encourage innovation should be promoted where appropriate (Ongoing)

Resourcing the Process

- Establish an Oireachtas Budget Office and a new Dáil Committee on Budget and Finance (Ongoing)
- In addition, we will develop the process of budget and policy proofing as a means of advancing equality, reducing poverty and strengthening economic and social rights.
- We will ensure the institutional arrangements are in place to support equality and gender proofing in the independent fiscal and budget office and within key government departments and to draw on the expertise of the Irish Human Rights and Equality Commission (IHREC) to support the proofing process. For Budget 2017 the Budget and Finance Committee will be tasked with looking at gender and equality proofing budget submissions and proposals with independent expertise (including the IHREC) to assist where necessary.
- To address unmet needs, we will introduce budgets that will involve at least a 2:1 split between public spending and tax reductions. In this way, the Government will – consistent with current growth forecasts and adherence to the fiscal rules – work with the Oireachtas to spend at least an additional €6.75 billion in delivering public services by 2021 compared with 2016, to cover:
 - The costs of an ageing and growing population.
 - Targeted improvements in public services, with a particular focus on health, education, disability, and child development and care.
 - Targeted improvements in welfare payments for the elderly, people with disabilities, the sick and carers, among others.
 - Sustainable increases in public service pay and pensions.
- We will fully implement the Lansdowne Road Agreement in accordance with the timelines agreed and recognise that the recruitment issues in the public service must be addressed as part of this Agreement.
- We will establish a Public Service Pay Commission to examine pay levels across the public service, including entry levels of pay.
- We will support the gradual, negotiated repeal of the Financial Emergency Measures in the Public Interest Acts having due regard to the priority to improve public services and in recognition of the essential role played by public servants.
- Working with the Oireachtas we will reverse the public service pension reductions introduced during the crisis by 2021, prioritising in the early years those in receipt of low pensions.
- To help address this challenge we will protect the existing €42 billion capital investment plan published by the outgoing Government for the period 2016-21, including the €5.5 billion plan set

out by Irish Water to continue to upgrade the dilapidated national water infrastructure. We will also provide additional exchequer capital, if needed, to deliver on our commitment to bring next generation broadband to every house and business in the country by 2020.

- We will seek to use Government current and capital funding and tax and regulatory supports to leverage additional private investment in sectors struggling with large infrastructure deficits, including residential care, housing, regional transport and third level education.
- The new Government will take advantage of the recent redefinition by the European Commission of structural balance for Ireland from 0% of GDP to -0.5% of GDP, and the favourable treatment of capital investment under the fiscal rules, to propose Oireachtas approval for a cumulative, additional €4billion in exchequer capital investment up to 2021.
- Following the mid-term review of the Capital Plan which is expected mid-2017, we will increase capital investment in transport, broadband, education, health and flood defences.
- We acknowledge that the capital budget for local and regional roads is still recovering after the economic crash and the new partnership Government will increase this budget by approximately 50% in the years ahead as the national finances are repaired.
- Facilitate quarterly meetings of the SME Advisory Group, chaired by a Minister of State at the Department of Finance / Public Expenditure and Reform, so that the voice of Irish SMEs can be heard by Government and the Office of Government Procurement.
- Commission an external review of the TAS (Tender Advisory Service) model by 2017.
- Continue to develop measures to support SMEs in accessing the public procurement market.
- Conduct a consultation on the merits of establishing a Procurement Ombudsman.
- Refine the new procurement structures in place, such as the OGP, as they bed down and make adjustments according to best international practice and in conjunction with Irish businesses.
- To focus transfers on earlier support, we will establish a dedicated Prevention and Early Intervention Unit in the Department of Public Expenditure and Reform/Finance in the first 100 days. It will focus on early intervention policies that can improve the life outcomes of children in particular, as well as the quality of life of older people dealing with long term conditions such as chronic illness. The Unit will also produce an annual report outlining the percentage of departmental budget that is devoted to early intervention and long term planning on social issues, and recommend changes. It will oversee and monitor the impact of a number of these new programmes, and report regularly to the relevant Oireachtas Committee.
- From an abatement perspective, Bord na Móna has a key role to play in preventing flooding, particularly in the Shannon catchment area.

- We will provide €430million, as part of the Capital Plan, for flood mitigation initiatives to protect threatened localities from river and coastal flood risk. This investment means the new Partnership Government will spend more on flood relief over the next 5 years than has been spent in the last 20.
- The introduction of a new Flood Risk Management programme by the OPW will put in place a long-term plan of works to systematically identify and mitigate the risk of flooding across the country, providing a proactive plan for at-risk areas.
- This new group, involving all relevant agencies, has published a work plan that will oversee the implementation of flood management plans to respond to the 66 areas along the Shannon at risk of flooding.
- We will set up a new national flood forecasting system to provide regular, detailed and localised information on flood forecasting.
- We will introduce a voluntary property relocation scheme for properties, including businesses, affected by repeat flooding, based on a similar 2009 scheme.
- We will provide resources to the OPW to commission studies into individual problematic (prone to flooding) Turlough systems, if requested by a local authority or another relevant State agency.
- We will also ensure that all commissioning for human, social and community services takes place in a societal value framework (targeted at maximising the value for society).
- We will also introduce a provision whereby taxi companies who wish to bid for state procurement contracts must ensure that a minimum of 10% of their fleet is wheelchair accessible.
- We will work with the Northern Ireland Executive to agree and implement cross-border projects that can benefit from EU funding through the INTERREG and PEACE programmes.
- On foot of the recommendations of the Banking Inquiry, we will seek a review of the powers of Oireachtas Committees in conducting inquiries and, based on this review, will consider whether there should be a new Constitutional Referendum to strengthen Committees' powers.
- In November 2014, a new system for appointments to state boards, including an independent, centralised application and short-listing process run by the Public Appointments Service was introduced. In the first year of operation, over 4,200 applications were submitted.

Under this system, in making board appointments, ministers can only appoint applicants who have been vetted and shortlisted by the Public Appointments Service. The PAS will be asked to take account of diversity and balance, including gender, geography, etc.

The Government will now strengthen this system by putting it on a statutory footing by the end of 2016.

- In addition, the process will be extended to require ministerial nominees for the role of chairs of boards to be vetted and have their suitability for appointment confirmed by the Public Appointments Service.
- Furthermore, nominees for chairs of state boards will, following confirmation of their suitability by the Public Appointment Service, be required to have their nomination ratified by the relevant Oireachtas Committee prior to their appointment being made by Government.
- The operational effectiveness of the new arrangements will be reviewed after 12 months.
- Furthermore, as part of this reform, we will empower frontline service providers to make more decisions, encourage more collaboration between public service bodies, and between the public and private sectors, and reward public service innovation and change.
- We will also reform the public sector, more generally, to ensure more accessible public services.
- We will also examine the possibility of extending the remit of the Comptroller and Auditor General and the Public Accounts Committee to include expenditure by local authorities. We will ensure that local government funding, structures and responsibilities strengthen local democracy.
- Public consultations provide an important opportunity for the public to input directly into matters which affect them and their communities. Currently there is no single mechanism by which individuals can access information on consultations local, regional and national. We will establish an easily accessible portal to provide details of all such public consultations.