

**Minute of the Minister for Finance and Public Expenditure and Reform in response to the
Committee of Public Accounts Report on the Examination of Matters in relation to
Financial Procedures at the Garda College Templemore (Module 1)**

The Minister for Finance and Public Expenditure and Reform has examined the Committee of Public Accounts Report and has taken account of its recommendations and conclusions.

The Committee's recommendations, which are outlined below, have been grouped in the following three themes (i) Review of Process and Oversight; (ii) Resourcing and Training and (iii) Ethics and Culture. The Minister's response is as follows:

(i) Review of Process and Oversight

Recommendation 37

The Committee notes that significant professional tensions were evident between members of senior management within An Garda Síochána (AGS). It is the view of the Committee that the level of disagreement is such that it will undermine the ability of senior management to fully resolve issues and complete the implementation programme. The Committee recommends that resolution of these issues be prioritised by AGS.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Minister for Finance and Public Expenditure and Reform understands that the Chief Administrative Officer in AGS holds fortnightly management meetings with his direct reports: Executive Directors for the Human Resources and People Development; Finance and Services Directorate; and the Information Communications & Technology Directorate. Meetings are conducted in a collaborative and professional manner. In terms of the working relationships between the senior leadership team, more generally, AGS has advised that all members of the senior leadership team are represented and fully participate on key senior management groups and fora. The Commissioner is committed to ensuring that an open and inclusive approach is adopted by the Garda Executive in supporting the senior leadership team. Senior leadership meetings are held fortnightly at different locations across the country to support this approach.

AGS has also indicated that the implementation of the recommendations of the Interim Audit Report is a priority and that the organisation was working to a timeframe for completion of end-2017. The co-operation of the Executive Directors for Finance and Services and Human Resources and People Development is critical to the implementation of the recommendations of the Interim Audit Report. Both officers are fully engaged to ensure progress in completing the implementation of the 19 recommendations. To date, 11 of the 19 recommendations have been deemed complete by the Policing Authority and a further three are on track to be implemented by the end of the year.

The Commissioner has also enlisted the assistance of an expert in team leadership to work with the senior leadership team to enhance and build leadership capacity at this level. The Commissioner has obtained the assistance of the Maynooth University Edward M. Kennedy Institute to work with the broader management group to address how to re-shape the future of AGS.

The Minister for Finance and Public Expenditure and Reform is further informed that a Steering Committee responsible for overseeing the implementation of the recommendations of the Interim Audit Report is in place.

The Committee is chaired by the Chief Administrative Office and comprises the following senior managers:

- Executive Director Human Resources and People Development;
- Executive Director Finance and Services Directorate;
- Head of Legal Affairs;
- Director of Training – Garda College;
- Principal Administrator – Garda College; and
- A representative from the Department of Justice and Equality.

The Steering Committee has met 18 times since it was established in January 2017.

All of the relevant managers are working individually within their respective areas and collectively as part of the Steering Committee to progress the implementation of the recommendations. There is engagement with other bodies, including the Office of the Attorney General, the Office of Public Works, the Policing Authority and the Department of Public Expenditure and Reform, all of whom have a role to play in advising on or implementing a number of the recommendations.

The Office of the Chief Administrative Officer liaises regularly with the Head of the Garda Internal Audit Section (GIAS) on the implementation of recommendations and seeks advice and direction as required.

The Minister for Justice and Equality has advised that he referred the Interim Audit Report to the Policing Authority on 29 March 2017 under section 62O (6) of the Garda Síochána Act 2005 and requested the Authority to oversee the implementation of the Report's recommendations and provide a quarterly update on progress in that regard. The first report was received in August 2017 and was laid before the Houses on 14 September 2017. The second report was received on 2 November 2017 and was laid before the Houses on 17 November 2017. The Authority's second report records that 11 of the 19 recommendations have been completed/closed by AGS. A further three are on track to be implemented by the end of the year. A further report from the Authority is expected in January 2018.

The Minister for Finance and Public Expenditure and Reform is also informed that the Minister for Justice and Equality also sent the Public Accounts Committee's report to the Policing Authority on 27 July 2017 as it makes a range of findings and recommendations in relation to the implementation of

the Interim Audit Report and related matters relevant to its work. The Minister for Justice and Equality requested that the Authority give these matters appropriate consideration.

Recommendation 38

The Committee notes that there is currently an organisational modernisation and renewal programme being implemented within AGS. The Committee recommends that internal reporting structures and processes relating to the Garda College be reviewed and clarified. This should be documented as part of the implementation plan.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Minister for Finance and Public Expenditure and Reform is further informed that the following actions have been taken:

- A new management structure is in place in the Garda College with a Principal Administrator at Principal Officer Level appointed to manage all of the administrative functions in the College.
- The Principal Administrator and the Chief Superintendent/Director of Training both report to the Executive Director Human Resources and People Development who is the line manager responsible for management of the Garda College.
- The Principal Administrator has developed a structure for the management of the administrative functions in the College and the structure was validated by external consultants with expertise in the governance of Higher Institutes of Education.
- The work of the Principal Administrator is supported by an administrative team, which includes a professional accountant and a facilities manager.
- The role of GIAS is detailed on the internal Garda Portal as detailed in AGS HQ Directive 25/17. The publication of the Directive on the portal automatically generated an email to all staff informing them of its availability.

The Principal Administrator is now responsible for the management of the following functions in the College - Human Resources, Finance and Procurement and Facilities and Ancillary Services. A new organisation chart for the management of the College which will take account of the new management structure and the additional administrative staff in the College will be completed and published by the end of December 2017 and also included in the Modernisation and Renewal Programme.

In relation to the AGS organisation as a whole the existing structure is currently under review and a number of revisions will be made to reflect the recent expansion of the senior management team.

Recommendation 39

The Committee recommends absolute clarity on a reporting framework to bring significant issues to the attention of relevant parties such as the Comptroller and Auditor General (C&AG), the Policing Authority and the Minister for Justice and Equality. The matter of what constitutes a “significant issue” needs to be communicated clearly.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Minister for Finance and Public Expenditure and Reform is further advised that AGS operates within the parameters set down by statute including the Garda Síochána Act 2005 and the Comptroller and Auditor General Acts 1866 to 1998. AGS’s [Corporate Governance Framework 2016](#) details the environment within which the organisation operates and how it fulfils its governance obligations arising from the statutory framework. The *Policy and Governance Co-Ordination Unit* (PGCU) was established in August 2017 to provide monitoring/oversight of AGS’s Corporate Governance Framework.

A new Corporate Governance Assurance Agreement was signed between the Department and AGS on 20 November 2017. It replaces the July 2016 Agreement and takes account of the revised 2016 edition of the Code of Practice for the Governance of State Bodies. It sets out the broad governance and accountability framework within which AGS operates, and defines key roles and responsibilities which underpin the relationship between AGS on the one hand and the Department of Justice and Equality, the Minister for Justice and Equality and the Government on the other.

A communications protocol between the Department of Justice and Equality and AGS is also being developed as part of a revised governance framework. The timeframe for completion was end-2017. It seeks to refine and bring clarity to the existing communications processes in place for the conduct of business between the Department of Justice and Equality and AGS. It sets out a number of overriding principles that govern the relationship including that the Minister for Justice and Equality and the Department of Justice and Equality must at all times be fully aware of all matters for which the Minister/Secretary General have responsibility under the Ministers and Secretaries (Amendment) Act 2011 and, where appropriate, be informed in advance of significant developments. It sets out the statutory framework governing communications and provides guidance in relation to its practical application. In particular, it recognises that communications between AGS and Department of Justice and Equality can be classified as communications concerning:

- (i) significant developments which the Commissioner is required to bring to the personal attention of the Minister for Justice and Equality and Secretary General of the Department of Justice and Equality; and
- (ii) day-to-day business that may be urgent or non-urgent including communication relating to parliamentary affairs, strategy/policy/legislation, performance, resources and legal actions/complaints.

In relation to (i) above, this stems from section 41 of the 2005 Act which requires the Commissioner to keep the Minister and the Secretary General of the Department fully informed of:

- matters relating to significant developments concerning –
 - the preservation of peace and public order in the State,
 - the protection of life and property in the State, and
 - the protection of the security of the State;
- significant developments that might reasonably be expected to affect adversely public confidence in AGS;
- matters relevant to the accountability of the Government to the Houses of the Oireachtas;
- any other matters that, in the Commissioner's opinion, should be brought to the Minister's attentions.

The draft Protocol provides that "while it is not possible to exhaustively define all the matters encompassed by section 41 they are understood to include at a minimum:

- significant breaches of public order such as a riot;
- any apparent murder;
- any significant breach of State security;
- any death or serious injury to a person relating to any Garda operation or activity, including any death or serious injury related to the arrest or detention of a person;
- any unauthorised disclosure of confidential information by a member of AGS or its civilian staff;
- any serious breach of discipline by any member or civilian staff member;
- any apprehension of significant or systemic non-compliance with internal controls or regulatory requirements;
- any apprehension of financial irregularity or fraud in relation to the Garda Vote or monies under the control of Garda personnel;
- any apprehension that data published by the AGS cannot be relied on."

The draft addresses the format of section 41 communications by providing that section 41 may be complied with by both oral and written communications as no specific format is specified in the Act. It states, however, that "*it is expected given the import of communications under section 41 that they would in the normal course be in writing and would specifically invoke the section. Where the communication due to its urgency is communicated orally in the first instance, it would be expected that it would be followed by a written communication. The exception to this are communications relating to criminal incidents and evolving Garda operations.*"

The procedure for the submission and handling of written communications pursuant to section 41 will be appended to the protocol. The draft protocol addresses the obligation on the Commissioner and provides that "*The onus is on the Commissioner to ensure that the statutory requirement to keep the Minister and the Secretary General fully informed of all relevant matters. This duty to inform requires that the information is provided as soon as it becomes known to the Commissioner. Where further information or clarification is required, this should not delay the Minister and Secretary General being*

informed. Instead, the fact that further information/clarification, etc. is required should be explained, as should the nature of the information outstanding and when it is expected that the full picture will be known.” The draft further provides that *“Where the Department requests information either in response to issues of relevance to the Minister’s responsibilities, it should be set out the timeframe within which the information is required and this timeframe must be met.”*

AGS has advised that a relationship and support agreement between the organisation and the Policing Authority is at an advanced stage. A final draft is currently being considered by the Garda Executive.

The draft Agreement states that the *“statutory underpinning for the relationship between the two organisations is set out in the Garda Síochána Act 2005”*. It also states that, *“in addition to the Authority’s oversight, a number of the functions set out in the Act require the Authority and the Garda Commissioner to consult each other on various matters and there is a statutory duty for the Garda Commissioner to provide information to the Authority”*(Section 41 A). It further states that the purpose of the agreement is:

“to set out mutual expectations and certain working arrangements for the relationship without trammelling the operational independence or the statutory remit of either organisation. The interactions between the Authority and AGS will need to be dynamic and informal and driven by business needs and the mutual commitments of each body. However, it is appropriate to set out [...] the likely expectations and minimum pattern of engagement”.

The draft details various commitments and statutory responsibilities of each organisation. It also contains commitments regarding the arrangements for meetings held by both organisations and the associated requirements for positive engagement. This includes commitments by both organisations to provide timely information for such meetings, including agendas, draft minutes and reports etc. It also outlines specific commitments associated with the provision of confidential information and outlines commitments to comply with various Acts including FOI, Data Protection, Official Secrets, Ethics in Public Office, Protected Disclosures, the Policing Authority Code of Conduct and the Civil Service Code of Standards and Behaviour.

AGS acknowledges that all significant matters of serious concern with regard to financial or other associated risk will be communicated to the C&AG. The Head of GIAS and the Audit Committee provide the necessary oversight to confirm that this has taken place. Furthermore, all internal audit reports are provided to the C&AG by GIAS. Additionally, the Head of GIAS liaises with the C&AG on a regular basis.

Recommendation 40

The Committee is of the opinion that the independence of the Garda Internal Audit Section (GIAS) is essential and its responsibilities, powers and position within AGS need to be strengthened. The Committee recommends that the function of internal audit be clearly defined and communicated to all senior managers.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

Garda HQ Directive (HQ Directive 25/17) sets out the role of Internal Audit and the responsibility of local managers in AGS to inform GIAS of any relevant issues and to co-operate fully with GIAS in providing information and assistance.

The Minister for Finance and Public Expenditure and Reform is further informed that the role of the GIAS within the audit, assurance and compliance arrangements in the organisation is set out in AGS's [Corporate Governance Framework 2016](#) which is an important reference document for senior managers. A Charter for GIAS setting out functions and responsibilities is part of the Framework.

The Framework provides that GIAS operates independently with the direct authority of the Garda Commissioner and under the general supervision and guidance of the Deputy Commissioner Governance and Strategy and the Audit Committee.

The Head of the GIAS works collaboratively with the Risk Management Unit to insure all risks are considered and audits prioritised according to the organisational risk attached. The GIAS also works with the Garda Professional Standards Unit and conducts joint audits as requested by the Garda Commissioner.

The Head of GIAS is a member of the Risk Governance Board Chaired by the Deputy Commissioner Governance and Strategy.

Recommendation 41

The Committee is of the view that GIAS has not been given sufficient standing within the organisation or sufficient staff to carry out its duties. The Committee recommends that the status of GIAS within AGS be upgraded, that it be provided with a full complement of staff, and that its assigned staff grades and reporting structures be reviewed.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted (see also response to Recommendation 40 above).

In addition, the Minister is informed that in December 2016 AGS contracted external consultants to conduct a review of GIAS against International Professional Practice Frameworks (IPPF) as set out by the Chartered Institute of Internal Auditors (IIA), to identify opportunities to enhance Internal Audit processes and provide recommendations to improve efficiencies and effectiveness. The review was completed in March 2017.

A new structure for the management of the GIAS was developed as part of this review. AGS is engaging with the Policing Authority in relation to increasing the number of staff in GIAS from 11 to 16 in accordance with the statutory framework set out in section 19 of the Garda Síochána Act 2005.

(ii) Resourcing and Training

Recommendation 42

The Committee endorses the Interim Audit report's recommendation that training in Public Financial Procedures, governance and risk management should be prioritised for all administrative staff working in the Garda College.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Minister for Finance and Public Expenditure and Reform is further informed that:

- The Institute of Public Administration (IPA) delivered training in financial management to managers and administrative staff in the Garda College on the 5 September 2017 and delivered training in procurement on 19 October 2017.
- A new module on financial management and public procurement procedure has been developed for inclusion in CPD training courses for senior managers and is currently being delivered.
- To date 272 senior managers (Superintendent Rank/Assistant Principal and above) in AGS have received validated and approved training in risk management, the bulk of which was delivered through a co-facilitated approach between the IPA and the Garda Risk Management Unit.
- All senior managers were invited to nominate support staff to receive comprehensive briefings in risk management. To date 290 support staff have received the briefing. These briefings will continue as required.
- The Garda Risk Management Unit delivers a module on risk management on all development/promotion courses. The level and complexity of content on these modules is tailored to the rank/grade of the attendees and the complexity of the risk issues relevant to that rank/grade

Recommendation 43

The Committee recommends that AGS review its processes for dealing with conflicts and the risk of intimidation of staff and that senior management receive specific training in this area.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Minister for Finance and Public Expenditure and Reform is further informed that AGS currently operates two policies in relation to dealing with bullying and harassment; one for uniformed members and one for civilian staff. Work is ongoing to develop a single policy for all personnel with a view to reaching agreement with staff associations and unions.

AGS are engaging with Transparency Ireland to develop an 'Integrity at Work' initiative to promote supportive working environments for anybody reporting concerns of wrong doing.

The Code of Ethics established by the Policing Authority at the end of 2016 for all members and staff of AGS sets out under Pillar 9 'Leadership' the requirement resting on senior leaders to promote professional standards and to be accountable for instructions given and their consequences. The Department is informed that AGS is committed to embedding the Code into the day-to-day thinking and actions of the organisation to enhance the level of standards and conduct which is expected of everyone working in the organisation. The implementation plans are detailed below under Recommendation 45.

(iii) Ethics and Culture

Recommendation 44

The Committee recommends that all relevant staff within AGS are notified of their obligations under SIPO legislation, and that retroactive declarations be made where necessary.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Minister for Finance and Public Expenditure and Reform has also been advised that the Standards in Public Office Commission, having received correspondence from the Public Accounts Committee in connection with its report, has been in contact with AGS about compliance with the Ethics Acts. The Standards in Public Office Commission will seek to ensure that the communication of AGS to its designated employees is appropriate. The Standards in Public Office Commission agrees that the communications to designated employees in AGS should be issued by AGS.

The Minister for Finance and Public Expenditure and Reform is also informed that AGS notifies and conducts an annual survey of all relevant officers for the purposes of the Ethics in Public Office Acts 1995 & 2001.

Following a request from the Committee of Public Accounts, AGS surveyed all relevant officers requesting them to indicate compliance. By end December 99.6% of officers will have confirmed compliance. There is currently 1 response outstanding from an officer on extended leave.

The Directors of the Garda College Sportsfield Co. Ltd were informed of their responsibilities under the Ethics legislation and of the recommendation to make retrospective declarations under the legislation.

Recommendation 45

The Committee is of the view that there are cultural issues still present at an organisational level within AGS that need to be addressed. The Committee recommends that the Policing Authority's work on establishing and embedding the Garda Síochána Code of Ethics be supported at all levels of the organisation and that the general findings of the Fennelly Commission be adopted and integrated into processes going forward. The implementation of this should be overseen by the Policing Authority.

The Minister for Finance and Public Expenditure and Reform is informed by the Department of Justice and Equality and AGS that this recommendation is accepted.

The Modernisation and Renewal Programme (MRP) 2016-2021 sets out AGS's commitment to renewing the culture of the organisation. One of the key drivers of this change is through further civilianisation of administrative functions. AGS is working to meet the target set by Government. Key appointments to the senior leadership team in 2017 include two additional executive directors with responsibility for Strategy and Transformation and Legal and Compliance. A TLAC competition is in train for a further civilian post at this level a Chief Data Officer and this should be completed by end January 2018.

Another key driver of cultural change is the design and development of a modern Human Resource and People Development Division as part of the MRP that supports both members and staff of AGS in delivering effective and efficient services to the public and its wider stakeholders. The objectives are to:

- Deliver a more efficient and effective HR service.
- Support organisational effectiveness through enhanced Workforce Planning.
- Strengthen organisation and individual employee performance.
- Enhance the Learning and Development experience of all staff.
- Support organisational reporting through improved HR metrics and reporting.

This will be achieved through six key projects commencing with the development of a Human Resources Operating Model. External experts have been recruited to undertake this project, engagement has commenced and it is expected that work will commence in January 2018.

Enhanced Governance arrangements between AGS, Department of Justice and Equality and the Garda Síochána Ombudsman Commission and with the Policing Authority are also key drivers of cultural change and openness and transparency.

The Minister for Finance and Public Expenditure and Reform is further informed that a steering committee led by the Assistant Commissioner/Dublin Metropolitan Region and comprising representatives of sworn members and Garda staff has been established to manage the embedding of the Code of Ethics in the organisation. A Project Team has also been established to support the steering committee in its work. The Committee engages regularly with the Policing Authority in relation to progress. Actions to date include:

- In June 2017 all members and staff were provided with a soft copy of the Code of Ethics accompanied by a personal message from the Commissioner. It has also been posted on the Garda portal.
- In August 2017, the implementation plan to embed the Code of Ethics was forwarded to the Policing Authority.
- The Code of Ethics has been embedded in foundation training for trainees at the Garda College and all students and staff at the College have been provided with a printed version of the Code.
- The Code is also introduced and discussed on Senior Investigator Officer Programmes, driver training and all management and senior leadership development programmes and the implementation plan envisages that the Code will be embedded in all programmes delivered in the Garda College.
- External experts have been contracted to develop the long term structure to embed the Code across the Organisation and this work will include the development of an Ethics Strategy and Training Plan. The Steering Committee has had a number of meetings to progress this work.
- An Ethics Expert Advisory Group has been established to advise the Steering Committee on the embedding of the Code and one of its first roles will be to review the Ethics Strategy.
- The Senior Management Team has completed an ethics training day in November. Representatives from the Policing Authority also attended this training. Following this training all of the senior managers signed a declaration of commitment to the Code of Ethics.
- Assistant Commissioners and Executive Directors will launch the Code of Ethics at Regional level. The forthcoming launches will be attended by managers at Assistant Principal/Superintendent Level.
- Options for further training, including 'train the trainer' are being considered.
- Plans are also underway to conduct focus groups to assess the impact of training and the embedding of the code.
- An Internal Communications Strategy has been developed to support the work of the Steering Committee. Actions include:
 - Preliminary awareness briefing was provided at Divisions and Sections nationally during September 2017;
 - A reminder is currently issuing to remaining Divisions/Sections to send returns confirming that the briefing has been provided to Divisional personnel;
 - Ethics booklets have been delivered to all Regions, Divisions and Sections in AGS;
 - At the most recent attestation ceremony (22 September 2017), Student Gardaí signed that they had read and understood the Code of Ethics and will adhere to the standards set out therein. This will continue in AGS;

- A presentation was provided on the Code at the most recent Senior Management Development Programme on 9 October 2017; and
- The printing of posters is in train with distribution anticipated to take place before end- 2017.

The Minister for Finance and Public Expenditure and Reform is further advised that as a part of the monitoring of the MRP and the Code of Ethics, AGS is in the process of undertaking a Cultural Audit. PricewaterhouseCoopers (PwC) have been commissioned to complete the Cultural Audit. This will ensure independence and that all participant responses are treated anonymously and confidentially. The 'Play Your Part' survey (open to all Garda, Civilian and Reserve members of AGS) was rolled out to the organisation on 4 October and closed on 1 November. Over 6,000 people from across the organisation completed the online survey, representing a response rate of 42%. This level of response rate is comparable to many police services when they conducted their first such surveys. The West Midlands Police achieved a 35% response rate in 2011, the West Yorkshire Police attained a response rate of 32% in 2015, and the SPA/Police Scotland opinion survey received a 50% response rate in 2015. This response level will enable the 'Play Your Part' survey results to have real value to the Garda organisation.

The next steps will be to begin to analyse these findings. AGS is working towards having the full analysis of the survey data completed by the end of the year. After that, the external contractors PwC will conduct focus groups and interviews across the organisation to explore some of the results. The final report, which will bring together the survey results, focus groups and interviews, will be completed by the end of quarter one 2018 and AGS will publish it shortly after that.

In relation to the general findings of the Fennelly Commission, the Minister for Finance and Public Expenditure and Reform is further informed that the ongoing actions highlighted above will help to address the general findings of the final Fennelly Commission report in relation to open lines of communication.

Given under the Official Seal of the Minister for Finance and Public Expenditure and Reform on this the 15 day of January, 2018.

L.S.



A handwritten signature in black ink that reads "Robert Watt". The signature is written in a cursive style.

Robert Watt

Secretary General

Department of Public Expenditure and Reform