

**Minute of the Minister for Finance on the
Committee of Public Accounts Report on
Appropriation Accounts 2005;
Annual Report of the Comptroller and Auditor General 2005;
and Value for Money Reports of the C&AG**

(Hearings of the Committee in the period October 2006 – April 2007)

The Minister for Finance has examined the Committee's Report and has taken account of its conclusions. In relation to the Committee's recommendations, his response is as follows:

**1. Department of Education and Science:
Comptroller and Auditor General – Value for Money Report 54 - Educational
Disadvantage Initiatives in the Primary Sector**

Recommendation No. 1

The Department should seek to ensure that schemes are developed so that resources are aimed at benefiting those pupils that are most in need

Any policy issues in relation to the implementation or operation of these schemes are for the Minister for Education and Science in the first instance.

The Minister for Finance is informed by the Department for Education and Science that in 2007, grants in financial supports under the DEIS (Delivering Equality of Opportunity in Schools) action plan for primary schools amounted to nearly €14m. Some 73 per cent of this was allocated to primary schools serving communities with concentrated levels of disadvantage, while some 27 per cent was allocated to primary schools with more dispersed levels of disadvantage. Financial support for schools serving communities with concentrated levels of disadvantage increased by some 16 per cent over the comparable figure for 2006 and the aim is to further concentrate resources, both human and financial, on these schools over the duration of the DEIS action plan to 2010.

Guidelines issued to schools emphasise that financial resources should be targeted at the individual pupils who are most at risk.

Recommendation No. 2

Efforts should be made to improve the coordination and cooperation between all of the agencies and personnel involved in the delivery of services

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation. As provided for under the DEIS action plan, the Department of Education and Science's Regional Offices Directorate has commenced work on the development of an overall plan for addressing services integration and partnership working issues.

A high level group is also working to develop protocols for the integration of the work of educational welfare officers and staff in educational inclusion support services whose work involves a school attendance element. The objective of the group is to ensure maximum benefit is derived from the substantial personnel resources being deployed by assisting with the development and implementation of clearly articulated operational guidelines of best practice for collaboration in service delivery among the services and agencies.

Recommendation No. 3

The Department should examine mechanisms to reduce the time spent on administration by personnel involved in the School Completion Programme

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation and that the administration of the School Completion Programme, which has now been subsumed under the DEIS initiative, will be examined as part of an overall evaluation of the programme commencing in 2008.

Recommendation No. 4

The Department should continue to explore, with sensitivity, different tools through which measurement and evaluation of standardised numeracy and literacy tests can be undertaken so as to achieve better educational outcomes

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation and that a range of assessment approaches are recommended to primary schools including teacher observation, questioning and discussion, samples of children's work, portfolios, projects and tasks and tests, self-assessment by the child, standardised tests and diagnostic tests. The objective is to position assessment as an integral part of teaching and learning.

Since 2007 all primary schools have been requested to ensure that standardised testing is implemented on an annual basis in English reading and Mathematics at the end of first class or the beginning of second class, and at the end of fourth class or the beginning of fifth class.

Recommendation No. 5

Key performance indicators by way of targets of numeracy, literacy and absenteeism levels should be set and progress on them monitored, on an ongoing basis, so as to determine whether the resources allocated are having a beneficial effect

This is a policy matter for consideration by the Minister for Education and Science in the first instance.

The Minister for Finance is informed by the Department of Education and Science that templates for three-year action plans have been introduced in the primary strand of the DEIS and have been piloted in certain post primary schools. Following the pilot, the post-primary templates are currently being revised with a view to having them in schools in 2008. The templates include indicators relating to attendance,

literacy and numeracy attainment, as well as parental involvement, to facilitate schools in monitoring their progress and achieving their targets.

At the request of the Department of Education and Science, the Educational Research Centre has commenced work on an independent evaluation of measures under the DEIS action plan at primary and post-primary levels. The evaluation will attempt to monitor the implementation of the programme and assess its impact on students, families, schools, and communities.

Recommendation No. 6

Mechanisms for disseminating information on proven successful interventions should be devised

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation. The DEIS action plan states that the Inspectorate would follow up on its report *Literacy and Numeracy in Disadvantaged Schools* by identifying existing models of good practice with a view to disseminating them and promoting their wider application. In this context, a working group was established, which identified 15 schools for study, 10 of which were visited during the 2007/08 school year. Pen-portraits of best practice in seven of these 10 schools will be published in spring 2009.

Recommendation No. 7

Schools should be given formal recognition (and possibly some reward) for meeting or surpassing challenging targets

Policy issues in relation to the implementation or operation of schemes in this area are for the Minister for Education and Science in the first instance. The Minister for Finance is informed by the Department of Education and Science that the matter will be considered in the light of the overall evaluation of the DEIS action plan.

Recommendation No. 8

The Department should consider putting in place mechanisms that would allow for a study to be undertaken on individuals who take part in continuing education and adult literacy programmes to determine whether they had been part of specific Departmental programmes aimed at disadvantage at either first or second levels

The Minister for Finance is informed by the Department of Education and Science that it has developed its data strategy for the period 2008-10, which will continue to improve the supply, quality and timeliness of statistical information at all levels of education in meeting the needs of providers and users of data and in facilitating relevant studies in the areas of educational disadvantage. The Department is also engaged in ongoing detailed evaluation of DEIS, the Action Plan for Educational Inclusion, which will inform the formulation of future policy and strategies in addressing educational disadvantage at first and second levels. The detailed evaluation will aim to identify those interventions which will best affect the educational outcomes for children attending DEIS schools and will identify measures which positively impact upon childrens' attitudes and feelings about their engagement within education.

Recommendation No. 9

The Department should explore means by which teachers would be encouraged to seek employment in areas of disadvantage

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation and that in the context of the DEIS action plan the Department now provides for specific measures to support the recruitment and retention of principals and teaching staff in schools serving communities with concentrated levels of disadvantage. Administrative principals have been allocated to schools in the urban primary strand of DEIS on lower enrolment and staffing figures than apply in primary schools generally. In addition, DEIS schools are receiving priority under a range of services in the educational support area.

2. Department of Education and Science - Vote 26 (Office of the Minister for Education and Science)

Annual Report of the Comptroller and Auditor General 2005:

Chapter 6.1 - Payment of Salary in lieu of Untaken Annual Leave;

Chapter 6.2 - Institiúid Teangeolaíochta Éireann; and

Chapter 6.3 - Superannuation Schemes

Recommendation No. 1

The Department should have systems and procedures put in place to allow staff to take annual holidays so as to avoid carry-over of leave on a year-on-year basis

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation. A Department of Education and Science internal office notice issued to all staff on 26 October 2006 setting out the regulations regarding the taking of annual leave in the contexts of the Organisation of Working Time Act and Department of Finance Circular 27/03. This Office Notice sets out clearly the minimum statutory leave that must be taken annually and the limits on the carry over of annual leave. This has since been followed up by further internal Office Notices to staff in 2007 and 2008 reminding them that any remaining untaken annual leave at the end of the year, in excess of that permitted under the above circular will be forfeit. Office Notices in relation to the taking of Annual Leave will be issued at the start of each annual leave year, taking account of the provisions of Department of Finance circulars in this regard.

Recommendation No. 2

Officials who work in units within Departments where compensatory leave is earned in lieu of additional hours worked should not lose their entitlement to avail of this leave

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation. Staff who have earned compensatory leave in lieu of additional hours worked will not lose their entitlements to avail of same.

Recommendation No. 3

Mechanisms should be put in place to ensure that in future all Department of Finance rules are complied with

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation and that it will ensure that all future circulars from the Personnel and Remuneration Division of the Department of Finance will be analysed prior to implementation, with any areas of ambiguity clarified with that Department prior to implementation.

Recommendation No. 4

The Department should finalise promptly all of the tasks ongoing within the Institiúid Teangeolaíochta Éireann so as to allow for the liquidation of the ITÉ without further delay

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation and that it has continued to work closely with the Liquidator so as to ensure a timely finalisation of all outstanding tasks. Once the minor outstanding liquidation issues are finalised the Company will be officially wound up.

Recommendation No. 5

In the unusual circumstances of the liquidation of State agencies, such as occurred at Institiúid Teangeolaíochta Éireann, the process should be brought about in a timely manner and with proper regard to correct procedures

The Minister for Finance accepts this recommendation and is informed by the Department of Education and Science that it also accepts the recommendation in respect of bodies under its aegis. In addition, the Minister is also informed by that Department that any delay in finalising the liquidation of Institiúid Teangeolaíochta Éireann (ITE) was mainly due to the undertaking given by the Department to the ITE employees, in the interests of assisting with the orderly wind-up of ITE, at the commencement of the liquidation, that it would facilitate redeployment, where appropriate for staff, in line with general public service policy in these matters.

Recommendation No. 6

When undertaking a process of decentralisation Departments should give priority to having the necessary skilled staff in situ prior to the move taking place

The Minister for Finance is informed by the Department of Education and Science that it accepts this recommendation. Under the Government's programme of decentralisation, 300 posts from the Department's headquarters are scheduled to decentralise to Mullingar and the relocation of approximately a further 100 to Athlone is almost complete. In so far as is possible, the Department is seeking to have the necessary skilled staff in situ prior to decentralisation, while reserving posts for staff currently working in the midlands to move to nearer the time of relocation. A particular issue has arisen in the Department's Information Technology (I.T.) Unit in Dublin, following acceptance by skilled staff of offers under CAF/Dublin arrangements, leading to a high turnover over a short period, putting I.T. systems at risk. This has been the subject of correspondence with the Central Decentralisation Unit in the Department of Finance and the subject of on-going discussions at the Decentralisation sub-committee of General Council. The Minister for Finance notes that his Department has now agreed specific proposals with each of the Civil Service Unions regarding arrangements for filling Information Communications Technology (ICT) posts in the Department of Education & Science.

Recommendation No. 7

The Department should consult with the Department of the Environment, Heritage and Local Government and relevant local authorities to ensure that adequate land in developing areas is set aside for educational use alone

This is a policy matter for consideration by the Minister for Education and Science in the first instance. The Minister for Finance is informed by the Department of Education and Science that it is mindful of the terms of the Programme for Government to “ensure that no re-zoning of land for residential development can take place without a prior commitment of an appropriate proportion of land for schools.”

The Programme for Government provides for the establishment of a Developing Areas Unit in the Department of Education and Science which will:

- liaise with local authorities
- identify where new schools are needed
- ensure that they are delivered in the fastest possible timeframe.

The Department of Education and Science is already actively engaged with the individual local authorities (predominately in the rapidly developing areas) and on a macro level with the Department of Environment, Heritage and Local Government. This interaction has been formalised with the recent publication of a Code of Practice for planning authorities which sets out the key responsibilities of each of the partners and the agreed actions to be undertaken. This Code of Practice was issued jointly by both Ministers on a statutory basis. The interaction involves the following:-

- ongoing assistance from the Department of Environment, Heritage and Local Government and relevant local authorities in relation to the provision of sites (and pre-planning assistance) for requirements in rapidly developing areas;
- Development of a Ministerial policy guidance (under the planning code) incorporating a Service Level Agreement, which will place an obligation on Local Authorities to comply with the Ministers’ agreed policy statement;
- Consideration with the Department of Environment, Heritage and Local Government as to whether legislative changes are required to further strengthen the role of the local authorities in this process will also be explored in the coming months.

Initial work on establishing and assigning dedicated staff to the Developing Areas Unit began in the latter part of 2007 and the unit is now fully operational.

3. **Department of Health and Children: Vote 39 (Health and Children) and Annual Report of the Comptroller and Auditor General 2005: Chapter 13.1 - The Post-Mortem Inquiry**

Recommendation No. 1

The Department should continue to provide necessary assistance to the NTPF so that the fund can be accessible to the most deserving patients

The Minister for Finance is informed by the Department of Health and Children that increased funding to the NTPF has been provided each year since it was established in 2002 to allow it increase capability and impact in relation to the provision of services to the public. In 2004, 13,600 people approx benefited from the scheme while in 2007 this figure increased to 32,700 approx. Also in terms of access to treatment, in 2005 the NTPF expanded from solely facilitating the provision of hospital in-patient services to also supporting quicker access to out-patient services. That Department has facilitated discussions between the NTPF and the HSE to improve the referral of people to the fund. This approach has contributed to an improvement in referral rates. However, there are a small number of hospitals where better progress needs to be made and the Minister has been assured that the Department of Health and Children will continue to liaise with the NTPF and the HSE in that regard.

The median wait time (calculated from the date the patient is put on the waiting list) for the most common procedures at end 2007 was 2 to 5 months compared to 2 to 5 years and upwards in 2002.

Recommendation No. 2

The Department, when establishing an inquiry, should put in place terms of reference that are explicit and unambiguous and therefore not open to different interpretation

The Minister for Finance is informed by the Department of Health and Children that it accepts this recommendation. He also wishes to point out that the Tribunals of Inquiry Bill 2005 contains many new provisions dealing with the establishment, terms of reference, suspension and dissolution of tribunals. It also provides that the terms of reference for a tribunal should be drafted as precisely as is possible and that they can be amended as required following approval by both Houses of the Oireachtas.

The Department of Health and Children points out that a number of inquiries established under the auspices of the Minister for Health and Children subsequent to the Post-Mortem Inquiry (e.g. The Lourdes Hospital Inquiry, The Ferns Inquiry) did not give rise to difficulties in regard to terms of reference and were completed expeditiously.

Recommendation No. 3

Arrangements put in place for individual inquiries should be structured so as to ensure satisfactory completion of the work involved and, where necessary, to have interim reporting mechanisms put in place so ensure step by step progress

The Minister for Finance is informed by the Department of Health and Children that it accepts this recommendation.

The Minister is informed by the Department of Justice, Equality and Law Reform that the Tribunals of Inquiry Bill 2005, referred to in the response to recommendation 2 above, provides the framework for the preparation of the report of a tribunal. The Bill includes provision for an interim report at the request of the responsible Minister or of the tribunal's own volition, publication of the report or interim report and the admissibility of the report or interim report in civil proceedings. This part of the Bill has been drafted along the lines recommended by the Law Reform Commission.

Recommendation No. 4

Finding suitable accommodation should be a priority when inquiries are established so as to avoid undue delays in the commencement of the inquiries' work

The Minister for Finance is informed by the Department of Health and Children that it accepts this recommendation.

The Minister is also informed by the Department of Health and Children that this approach has been adopted in relation to the recent inquiries established under the auspices of the Minister for Health and Children (e.g. The Lourdes Hospital Inquiry, Ferns Inquiry, Monageer Inquiry).

Recommendation No. 5

Inquiries should have financial control mechanisms built in, including built in cost effective methods for the collection of data, so as to ensure that they do not run over budget

The Minister for Finance is informed by the Department of Health and Children that it accepts this recommendation. This recommendation arose in the context of the "Post-Mortem Enquiry", which was a non-statutory inquiry established by the Minister for Health and Children.

In the context of statutory inquiries generally, the Minister is informed by the Department of Justice, Equality and Law Reform that the provisions of the Tribunals of Inquiry Bill 2005 provide important financial control mechanisms which will assist the chairperson of a tribunal in determining the total cost likely to be incurred by a tribunal for the purposes of the statement of estimated costs required under the Bill.

Recommendation No. 6

When the production of a report is a specific requirement of an inquiry payment should only be made to the persons responsible when the completed report has been furnished

This is a matter to be determined according to the terms of the contract to be entered into in each instance. The Minister for Finance is informed by the Department of Health and Children that the recent practice for non-statutory enquiries in this area is to provide in the terms of reference for a fixed timescale and a fixed fee relating to the timescale. This includes payment of the fee in instalments with the final instalment linked to the production of the report.

4. Health Services Executive: Vote 40 (Health Service Executive); and Annual Report and Financial Statements 2005

Recommendation No. 1

The HSE should continue to explore ways of developing services in line with efficient work practices so that better services can be provided within its employment ceiling

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. The Minister is further informed by the Department of Health and Children that planning and delivery of health services within the HSE is focused on increasing the emphasis on primary and community care, freeing up the hospital system and ensuring provision of integrated care. The HSE Transformation Programme is focused on developing services in line with efficient work practices so that the HSE continues to deliver high quality services within the staff ceiling.

Recommendation No. 2

The HSE should further examine means that would make access to the health services easier for patients

The Minister for Finance is informed by the Department of Health and Children that the HSE's Transformation Programme embodies this recommendation.

The HSE's Transformation Programme is committed, inter alia, to:

- Developing integrated services in the hospitals and primary, community and continuing care areas across all stages of the care journey so that people can easily get into, through and out of the health and social care system.
- Configuring hospital services to deliver optimal and cost effective results so people will be able to easily and rapidly access high quality acute care through designated centres of excellence.

Recommendation No. 3

The HSE should continue to develop average lengths of stay for various procedures based on best international benchmarking standards

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. The HSE operates the casemix system of funding hospitals. This system, internationally recognised and implemented in many European countries, directly compares lengths of stay (and other important factors) for different operations and diagnoses across hospitals. Hospitals with shorter lengths of stay for directly comparable operations and admissions are rewarded under this system. Currently 40 per cent of a hospital's budget is determined by casemix (as compared to 10 per cent initially) with plans to increase this further in future years.

The system also tries to encourage greater efficiencies across hospitals by rewarding hospitals that undertake more daycase work as compared to avoidable in-patient stays. The HSE also has a number of performance management systems that directly compare lengths of stay across hospitals. For example, the performance indicators as agreed with the Department of Health and Children identify a number of procedures and their associated lengths of stay across hospitals. This information is reported back to hospitals regularly and is used in a number of other incentive schemes applied within the HSE.

Recommendation No. 4

The HSE should continue to monitor, on a hospital by hospital basis, the prevalence of MRSA and introduce indicators that would show where improvement has occurred

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. As part of the HSE strategy for prevention and control of Health Care Associated Infections (HCAI), launched in March 2007, the Health Protection Surveillance Centre (HPSC) was asked to coordinate the preparation of data relating to HCAI and antimicrobial resistance (AMR) for acute public hospitals in Ireland. Three data sets were published in May 2008, all relating to data reported by hospitals for 2006 and 2007:

1. Antibiotic consumption.
2. Staphylococcus aureus bloodstream isolates, including Methicillin Resistant Staphylococcus Aureus (MRSA).
3. Alcohol-based hand gel consumption.

The 2006 data provided baseline data for each hospital and will form the basis for monitoring of trends over time.

5. Health Service Executive: Annual Report of the Comptroller and Auditor General 2005:
Chapter 14.1 – Discretionary Medical Cards;
Chapter 14.2 – Nursing Home Subventions; and
Chapter 14.3 – Extra Remuneration

Recommendation No. 1

The HSE should determine, as a matter of priority, the number of discretionary medical cards in the State

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. The Minister is informed that a coding system was put in place by the HSE in 2005 which allows the number of such cards to be identified. As at end-May 2008, there were almost 70,000 Discretionary Medical Cards in existence.

Recommendation No. 2

Payments should only be made to doctors on the basis of the actual number of discretionary medical card holders in their care

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. The Minister is further informed by the Department that the existing arrangements are being examined in the context of the review which is currently being undertaken of all aspects of the General Medical Services contract and other publicly funded schemes involving GP's.

Recommendation No. 3

All regions of the HSE should have a clear single definition of a discretionary medical card and apply the terms of the scheme in a uniform manner

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. The Minister is further informed that, as part of its Schemes' Modernisation Programme, the HSE has introduced National Medical Card/GP Visit Card Guidelines, National Standard Business Processes and is also implementing a National Training Programme for staff involved in the assessment of Medical Cards/GP Visit Cards. The Minister is also informed that under "Towards 2016" a general review of the eligibility criteria for the assessment of medical cards in the context of medical, social and economic/financial need with a view to clarifying entitlement to a medical card is underway. This review is being carried out by an Interdepartmental Group and involves officials from the HSE.

Recommendation No. 4

The HSE should ensure that payment for nursing home subvention is done on a consistent basis in all regions of the State

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation and that in 2006 a National Working Group established by the HSE examined best practice, and drafted National Guidelines for the assessment of applications for Nursing Home Subvention incorporating a procedures manual for staff.

The completion of the Working Group report coincided with the Government decision to introduce a new Nursing Home Care Support Scheme -"A Fair Deal". This new scheme is intended to ensure the same level of support for public and private nursing home residents. Legislation in the matter is being prepared for consideration by the Oireachtas. As a transition to the new Scheme the Minister for Health and Children put in place specific arrangements from 1st January 2007, including:

- Introduction of one rate of subvention which increases the maximum basic subvention to €300 per week.
- Principal Residence to be assessed for maximum 3 years from date of admission.
- Extra support for enhanced subvention scheme on a discretionary basis.

The Minister for Finance is informed by the Department of Health and Children that in January 2007 the HSE finalised the National Guidelines (incorporating the above arrangements) to guide the implementation of the scheme for 2007. These Guidelines were implemented across the health system with effect from 1st January 2007. The Guidelines achieve national consistency without taking away the obligation to consider exceptional cases on their individual merit.

Recommendation No. 5

The HSE, in conjunction with the Department of Health and Children and the Department of Finance, should continue to explore mechanisms for exercising greater control over the amount of payments made to staff under various forms of extra remuneration

The Minister for Finance is informed by the Department of Health and Children that the HSE accepts this recommendation. The Minister is further informed by the Department that the Non-Fixed Pay/Non Pay Review initiated in December 2007 includes a review of Overtime costs included in the Extra Remuneration heading referred to here. This is the Review of Overtime and Agency Costs, which was established in December 2007.

Significant work has progressed in the analysis and validation of the current data on the usage and costs, including payments to external providers of agency staff. The group are currently agreeing a process for establishing current practices by sampling an appropriate range and number of staff, both statutory and voluntary, throughout hospital and community services.

6. **Department of Social and Family Affairs: Vote 38 (Social and Family Affairs); Annual Report of the Comptroller and Auditor General 2005: Chapter 12.1 – Overpayments; Chapter 12.2 - Prosecutions; and Social Insurance Fund 2005**

Recommendation No. 1

The Department should ensure that developments in its I.C.T. systems keep pace with advances in the various benefit and insurance schemes administered by it

The Minister for Finance is informed by the Department of Social and Family Affairs that it has accepted this recommendation. The Department manages its ICT-related resources to meet the competing demands of delivering on its expanding core service delivery commitments, supporting advances in its various schemes, supporting administration needs and ensuring that it keeps abreast of relevant technological change. The new Overpayments and Debt Management system was implemented in November 2006.

Recommendation No. 2

The Department should set clear performance targets for the payment of old age and retirement pensions

The Minister for Finance is informed by the Department of Social and Family Affairs that it has accepted this recommendation and that performance targets are set in respect of all pension schemes administered. Performance targets and the processing of claims in compliance with targets are monitored on a regular basis. The targets have been set with a view to ensuring that claims submitted in a timely manner are processed when due.

Recommendation No. 3

The Department should put in place mechanisms that will encourage persons who are approaching eligibility for retirement and old age pensions to make their initial claims in advance of the time that the payments are due so as to receive payment without undue delay

The Minister for Finance is informed by the Department of Social and Family Affairs that it has accepted this recommendation and that a range of initiatives have been taken to encourage the early submission of claims from persons approaching eligibility for pension. All information notes and guidelines published by the Department recommend that customers submit claims in advance of reaching pension age. This advice is also provided to customers through the Department's network of 129 offices and 254 Citizens Information Service locations throughout the country.

Furthermore, steps have been put in place to initiate pension claims for customers known to the Department in advance of their reaching pension age. From 2006 all customers on Invalidity Pension and State Pension Transition are automatically transferred to State Pension Contributory on reaching 66 years of age. Procedures were developed to initiate pension claims for customers approaching pension age who are not currently in receipt of a payment from the Department, commencing in February 2008.

Recommendation No. 4

The Department should, in conjunction with the other State agencies involved, put in place mechanisms that will obtain PPS numbers of all landlords who own properties where the tenants are in receipt of rent supplements and not just the details of the agency handling those premises

The Minister for Finance is informed by the Department of Social and Family Affairs that it is examining the issues raised by the requirement to implement a mechanism to obtain PPS numbers of all landlords who own properties where the tenants are in receipt of rent supplements. The Department already provides the Office of the Revenue Commissioners with data relating to rent supplement on an annual basis. The data supplied is as follows:

- The full address of the tenancy
- The name and address of landlord/agent, and
- A statement of all payments arising from each individual tenancy

Section 123 of the Finance Act 2007 requires the Department/HSE to request the landlord's Personal Public Service (PPS) number before a rent supplement payment is made. This data must be supplied to the Revenue Commissioners or advice to the effect that the landlord has not complied with the request for such information.

The Department is endeavouring to find a solution that would allow it to meet the requirements of Section 123 of the Finance Act 2007. Issues, including legal and administrative issues, associated with the collection and recording of landlord PPS numbers on the Department's IT systems, are being examined. The Department has advised that rent supplement is an entitlement of the tenant who is generally on a low income and that it is concerned that the requirements of Section 123 of the Finance Act 2007 should not interfere in any way with the tenant's relationship with the landlord or the Department. Discussions to find a solution are continuing with the Revenue Commissioners.

The Private Residential Tenancies Board (PRTB), established under the Residential Tenancies Act 2004 has amongst other things, responsibility for maintaining a register of private rented tenancies. In registering tenancies, the PRTB uses the landlord's PPS number as the primary identifier. The Department is in discussion with the PRTB regarding the exchange of data, including the PPS numbers of landlords.

Update

The Department of Social and Family Affairs has provided the following update on paragraph 4.10 of the PAC's report as the figure quoted for transfer of people from the rent supplement scheme to the rental accommodation scheme in 2005 was not accurate. At the end of December 2007 there were 59,726 people in receipt of rent supplement at a cost of €392m of which 32,000 approx have been in receipt of rent supplement for 18 months or more. 11,096 rent supplement tenants have been transferred under the rental assistance scheme by the end of December 2007 as follows: 606 in 2005, 4,446 in 2006 and 6,044 in 2007.

7. **Office of the Appeal Commissioners Vote 8; Office of the Revenue Commissioners Vote 9; and Annual Report of the Comptroller and Auditor General 2005: Chapters 2.1 – 2.10 inclusive**

Recommendation No. 1

Revenue, in conjunction with the Department of Finance, should continue to explore mechanisms that would lead to more accurate tax forecasting

The Minister for Finance would point out that tax forecasts are the responsibility of the Department of Finance. These forecasts are done with the assistance of the Revenue Commissioners. Forecasts of revenue are subject to a very wide range of variables across numerous headings related to consumer and investor conditions and to domestic and international changes in economic circumstances, which cannot be predicted with certainty. The Department of Finance seeks to provide the most accurate tax forecasts possible in order to assist in managing the economy and the budgetary process. Therefore, the approach to tax forecasting is kept under review on an ongoing basis. For that reason, a Group chaired by a Senior Economist from the Central Bank, currently on secondment to the Department of Finance was formed during 2007 to conduct a review of the methodology employed. The report was published on the Department of Finance's website on 8 February 2008.

Recommendation No. 2

Revenue should continue to seek to make all benefits and credits to which people are entitled better known

The Minister for Finance is informed by the Revenue Commissioners that they fully accept this recommendation which is in keeping with their general policy. Revenue will continue to advertise to inform customers of their tax entitlements. This advertising will be supported by timely and targeted mailshots. For example, advertising in December 2007 was backed by a mailshot to customers who claimed tax relief for health expenses in 2006 to remind them to claim for 2007 once the year ends. Revenue plan to do more of this kind of targeted marketing of credits and reliefs as well as advancing their agenda for automated granting of credits where this is feasible.

Recommendation No. 3

Revenue should seek, on an ongoing basis, to increase the amount of data transferred between revenue organisations in different countries and to make maximum use of that information

The Minister for Finance is informed by the Revenue Commissioners that they fully accept this recommendation. Revenue is active both nationally and on the international scene in seeking ways to increase the quality and quantity of information exchanged under the various Mutual Assistance and other agreements. As well as making efforts to extend its international information programmes as far as possible, Revenue is also trying to ensure that maximum use is made of information received by it under these programmes.

Recommendation No. 4

The Office of the Appeal Commissioners should make the necessary appointments that would enable it to put in place more effective in house administrative procedures

The Minister for Finance is informed by the Office of the Appeal Commissioners that it accepts the recommendation that the necessary appointment is made to enable more effective in-house administrative procedures in relation to preparation and publication of an Annual Report, appeal case research and decision publication.

Recommendation No. 5

The Office of the Appeal Commissioners should improve the availability and timeliness of statistical information in relation to the cases it handles

The Minister for Finance is informed by the Office of the Appeal Commissioners that it accepts the recommendation that the availability of statistical information be improved by publication of such statistics on the website of the Office of the Appeal Commissioners. In this context statistics for the years 2003 - 2007 will be published on the website in the near future.

8. **Department of Finance: Vote 1 (President’s Establishment); Vote 6 (Office of the Minister for Finance); Vote 7 (Superannuation and Retirement Allowances); Vote 12 (Secret Service); Annual Report of the Comptroller and Auditor General 2005: Chapter 1.1 – Financial Outturn: Contingency Fund Deposit Account; and Finance Accounts 2005**

Recommendation No. 1

Mechanisms should continue to be examined that would increase the accuracy of forecasting the cost of pensions in the future

The Minister for Finance accepts this recommendation. Tighter forecasting and monitoring mechanisms have been put in place to minimise the difference between the Vote provision for the year and the Vote outturn. It should be noted, however, that it is not possible to predict either how long pensions will remain in payment and, more particularly, how many persons will opt to retire in any individual year given the choices open to individuals.

Recommendation No. 2

The Department should ensure that it applies the same criteria to its budgeting and forecasting as it applies to other Government Departments in order to increase the accuracy of its estimated expenditure and the receipts received from taxation

The Minister for Finance agrees that tax forecasts and estimates of expenditure should be as accurate as possible. The Department of Finance closely monitors receipts and expenditure throughout the year so as to ensure that as accurate as possible a picture is formed in framing the annual budget.

At Budget time each year, based on the latest available economic and fiscal information, the Department of Finance prepares its forecasts for the coming three years. In the following January the Department publishes tax and expenditure profiles for the current year in order to provide a benchmark on a monthly basis for measuring performance.

On a monthly basis the Department publishes the Exchequer Statement which, together with the published profiles, allows for the monitoring of tax revenues and expenditure. On a quarterly basis the Department holds a press conference on the Exchequer Returns where, if necessary, developments affecting spending or tax revenues can be signalled. In October each year the Department would usually publish the Pre-Budget Outlook (including Pre-Budget Estimates) which provides fiscal and expenditure information on a “no policy change” basis for the following three years. Finally, before the Budget, the White Paper *Estimates of Receipts and Expenditure* is published which gives a current year outturn estimate and a pre-budget estimate of providing public services for the following year.

Recommendation No. 3

The Department should investigate means by which individual tribunals could be encouraged to maintain, on an ongoing basis, an accurate record of all costs

The Minister for Finance has drawn this recommendation to the attention of the Departments directly concerned and to the Department of Justice, Equality and Law Reform, which has responsibility for legislation concerning Tribunals generally.

In the latter context, the Tribunals of Inquiry Bill 2005 was published which was designed in part to assign clear responsibility for monitoring costs and to support estimating accuracy by clarifying the level of third-party costs that would be recoupable. The provisions of the Bill would facilitate the recording and estimation of costs by placing a clear responsibility on a Tribunal to monitor costs.

9. **Houses of the Oireachtas Commission: Accounts 2005**

Recommendation No. 1

The Commission, in conjunction with the Department of Finance, should further examine and give consideration to updating the way in which the annual accounts of the Commission are presented

The Minister for Finance is informed by the Houses of the Oireachtas Commission that it has agreed with the decision of the Minister, made in accordance with section 14 of the Houses of the Oireachtas Commission Act 2006, that the appropriation accounting format is the most appropriate form for the Commission's accounts at this time.

Recommendation No. 2

Consideration should be given to putting the drafting facilities provided to members, in respect of Private Members' Bills and amendments, on a more structured footing

The Minister is informed by the Houses of the Oireachtas Commission that a figure of €10,000 has been authorised by the Commission for a pilot scheme to assist Members in drafting Bills. Details of the scheme have been finalised and the first Bill has been published.

Recommendation No. 3

The Commission should continue to seek ways to increase public awareness of the work undertaken in the Houses

The Minister is informed by the Houses of the Oireachtas Commission that, in an effort to improve the public image of the Houses of the Oireachtas, the Commission has approved an ambitious 3-year Communications Strategy to increase understanding of the role of the Houses and its Members. A Head of Communications has been recruited to implement the Strategy and key priorities have been determined and are being actively progressed.

Decisions in relation to the manner in which resources provided by the Central Fund are allocated are a matter for the Oireachtas Commission. The views of the Committee have been drawn to the attention of the Accounting Officer for the Commission.

**10. Department of Transport: Vote 32 (Transport); and
Annual Report of the Comptroller and Auditor General 2005:
Chapter 11.1 Integrated Ticketing System**

Recommendation No. 1

Government Departments which allocate funding to individual projects should monitor expenditure closely so as to ensure that spending is controlled; and the Department of Finance should maintain effective overview on an ongoing basis

The Minister for Finance is informed by the Department of Transport that it accepts this recommendation. All Government departments are required to monitor their expenditure effectively, a process that is overseen by the management advisory committee in each department at its regular meetings. All government departments also publish annual expenditure profiles in January of each year and are required to report to the Department of Finance each month thereafter on actual spend against profile. They are also required to comment on significant variances against profile. Expenditure trends are monitored closely and corrective action can be taken quickly if expenditure does not match expected profile.

In addition, the larger spending departments, including the Department of Transport, are required to submit bi-monthly memoranda to the Government outlining expenditure to date and providing explanations of that expenditure.

The Minister is further informed by the Department of Transport that the following expenditure management and monitoring arrangements are in place in that department, the purpose being to ensure that value for money is obtained at all times and that projects are appraised and implemented according to best practice and Government guidelines:

- a. The Transport 21 Monitoring Group, which was established in 2006, is chaired by the Department of Transport and comprises representatives from the Departments of the Taoiseach, Finance and Environment, Heritage and Local Government and the National Development Finance Agency. The Group is assisted by the chief executives and managing directors of the State agencies with responsibility for implementing the projects in Transport 21, who attend its meetings.

The main responsibilities of the Group are to:

- monitor the implementation of projects and programmes provided for in Transport 21;
 - monitor compliance with the Department of Finance's Capital Appraisal and Management Guidelines and the Value for Money framework;
 - submit an annual progress report on Transport 21 to Government;
 - oversee the communications and information strategy for Transport 21;
 - oversee an audit process for the Transport 21 programme
- b. To assist the Transport 21 Monitoring Group in its work, the Department of Transport has engaged separate consultants to review (i) the appraisal and (ii) the financial and physical progress of selected Transport 21 projects.

The process involves the consultants carrying out audits on projects selected by

the Monitoring Group. The findings and recommendations are reported to the Group. The Department of Transport has put in place a system for tracking the implementation of recommendations made in the consultants' reports and progress will be monitored by the Group.

It is expected that a total of 30 projects will have been audited at the end of the three -year period 2007-2009.

- c. A Programme Board, comprised of senior officials within the Department of Transport with responsibility for Transport 21 projects and programmes, meets monthly. The Board is responsible for the management of the Transport 21 capital envelope and other issues such as project appraisal and monitoring. It seeks to identify and resolve potential problems and to prioritise projects in order to ensure optimum effectiveness of the Transport 21 Programme.
- d. The Department of Transport has in place a common appraisal framework for transport projects. The framework is intended to assist agencies in the preparation of capital appraisals for their Exchequer funded and PPP projects and programmes.

Recommendation No. 2

Government Departments that initiate projects involving a number of bodies should ensure that the role of each of those agencies in relation to the project is clearly defined and that, overall, an effective governance structure is put in place

The Minister for Finance is informed by the Department of Transport that it accepts this recommendation. The Department of Finance's Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector requires that suitable project management arrangements are established at the planning stage once approval in principle has been obtained for the project. The guidelines also recommend that a steering group be established where a number of organisations are involved in a complex and large scale project.

The Department of Finance's Value for Money Circular of 26 January 2006 requires each department and agency to appoint a project manager for each capital project. The grade of the project manager must be proportionate to the value and complexity of the project. In the case of major capital projects, the project manager is required to report to senior management or a department's management advisory committee as appropriate at regular intervals on progress under the contract.

With regard to the integrated ticketing project, the Minister for Finance is informed by the Department of Transport that the guidelines on appraisal have been adhered to from the outset. In response to the difficulties that were experienced with the project, the Department of Transport put in place renewed and improved project governance and implementation structures. The project is now overseen by a project board chaired by an independent chairman and comprising all the organisations involved in the project. The project board has agreed a memorandum of understanding that sets out the roles, responsibilities, actions and commitments of each of these participating organisations so as to ensure effective delivery of the integrated ticketing project.

In addition, the project is subject to continued ongoing assessment under the Peer Review Process for major information and communication technology (ICT) projects, which is an independent, structured review of a programme or a project carried out at key decision points by a team of experienced people, external to the sponsoring organisation.

Recommendation No. 3

Sponsoring Departments should use whatever leverage is available to ensure buy-in from all parties engaged in multi-agency projects and ensure that enforceable commitments are obtained from them

The Minister for Finance is informed by the Department of Transport that it accepts this recommendation. First and foremost, the project management framework set out in the Department of Finance Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector is designed to bring clarity to the role and responsibilities of each stakeholder. The Guidelines recommend that in the case of complex, multi-agency projects a steering group should be established and assigned responsibility for the overseeing the execution of the project. Leverage to ensure stakeholder buy-in and continued active participation can be achieved through this steering group mechanism.

In addition, there can also arise opportunities to activate other leverage options. For example, the Minister for Finance is informed by the Department of Transport that financial leverage has been used in the case of the integrated ticketing project. The memoranda of understanding on service levels and targets agreed between the Department of Transport and the CIE companies, which provide for public service obligation payments, include a clause in which a proportion of the payment is contingent on co-operation with the integrated ticketing project.

Recommendation No. 4

Clarity of purpose should be established before procurement is undertaken in complex IT projects

The Minister for Finance is informed by the Department of Transport that it accepts this recommendation. The Minister notes that the Department of Finance requires that the arrangements for dealing with complex information and communication technology (ICT) projects should include:

- ensuring a business case is prepared
- developing detailed project plans
- having governance in place including appropriate steering committee, project team and management with relevant roles, responsibilities and accountabilities set down and ensuring that the relevant internal resources are available to the project as required
- providing programme and project management training
- ensuring the proper procurement processes are followed and conducting RFT exercises
- having fixed priced contracts as the norm to achieve value for money
- developing risk registers and managing and monitoring these risks

- following capital appraisal guidelines
- undertaking a cost benefit analysis to support the business case
- placing appropriate projects into a peer review process
- following proven system development methodologies
- using a project reporting template to monitor progress especially on costs and schedules and keeping a focus on benefits and results

In addition, departments and offices are advised (especially with regard to cross-agency projects) that agreement regarding the functionality and processes that are required and assignment of responsibilities and decision making structures must be achieved prior to commencement of the procurement process. Departments and offices are also advised to apply these principles to projects initiated or undertaken by bodies under their aegis.

Recommendation No. 5

The Department should continue to monitor ongoing developments in relation to the M50 in order to ensure that progress is made on schedule and within budget

The Minister for Finance is informed by the Department of Transport that it accepts this recommendation. The Minister is also informed by the Department of Transport that it meets regularly with the National Roads Authority at senior and top management level to review activity and discuss current issues in all the key areas of the Authority's operations, including the on-time and on budget delivery of major projects such as the M50.

**11. Department of Communications, Marine and Natural Resources:
Vote 30 (Communications, Marine and Natural Resources);
Annual Report of the Comptroller and Auditor General 2005:
Chapter 9.1 - Irish National Seabed Survey; and
Chapter 9.2 - Payments to the Broadcasting Commission of Ireland**

Recommendation No. 1

When new projects are being undertaken their objectives and scope should be clearly identified in advance to all of the parties involved

The Minister for Finance is informed by the Department of Communications, Energy and Natural Resources that it fully accepts the above recommendation and that the objectives and scope of any new projects for which the Department is responsible will be clearly identified in advance to all of the parties involved.

Recommendation No. 2

Long term projects should have a monitoring system built into them to ensure that regular progress is made on a stage by stage basis

The Minister for Finance is informed by the Department of Communications, Energy and Natural Resources that it fully accepts the above recommendation and that regular progress on all long-term projects for which the Department is responsible is monitored by an effective mechanism which is part of the project management system.

Recommendation No. 3

Procedures should be put in place to ensure that complete and accurate information is contained in memoranda for Government

The Minister for Finance is informed by the Department of Communications, Energy and Natural Resources that procedures are in place to ensure that complete and accurate information based on an up to date assessment is contained in Memoranda for Government submitted by the Minister for Communications, Energy and Natural Resources and that where significant new information comes to light later this is brought to the attention of the Government on a timely basis.

12. **Irish Prison Service: Vote 21 (Prisons); and
Annual Report of the Comptroller and Auditor General 2005:
Chapter 4.1 – Acquisition of a Site for Prison Development**

Recommendation No. 1

State agencies seeking the provision of professional services should adhere to the rules for procurement

The Minister for Finance is informed by the Department of Justice Equality and Law Reform and the Irish Prison Service that the recommendation is accepted. In addition, the Minister for Finance notes that the National Public Procurement Policy Unit in the Department of Finance has issued guidelines on procedures to be followed for contract awards appropriate to the value of the contract. Above certain threshold values procedures set out in EU procurement Directives apply and these have legal effect.

Recommendation No. 2

State agencies getting involved in commercial transactions should adopt a business like approach on behalf of tax-payers and endeavour to obtain best value for money

Recommendation No. 3

Where the cost per acre criterion is removed from the criteria for site selection some test of the costs and benefits should be calculated to determine whether good value for money is being obtained

The Minister for Finance is informed by the Department of Justice Equality and Law Reform that that Department and the Irish Prison Service always endeavour to obtain value for money in all transactions. The Department of Justice Equality and Law Reform is satisfied that the acquisition of the Thornton Site for a major new prison development to replace the victorian Mountjoy Prison represents value for money.

Recommendation No. 4

Consideration should be given to whether there is a need for greater consistency in the land acquisition procedures employed by the State for public good projects

The Minister for Finance is of the view that public authorities should generally adopt a business like approach to the acquisition of property with a view to securing the best value for the expenditure of taxpayers' money. The Minister is conscious that, depending on the circumstances of the case, this may entail the employment of varying strategies depending on the degree to which the type of property to be acquired is available in the market. The Minister is conscious that the use of a strategy of confidentiality which might otherwise be appropriate may, in certain limited circumstances, be outweighed by broader public policy considerations.

The Department of Finance's Capital Appraisal Guidelines require that all relevant considerations relating to a project are considered and evaluated and put before the appropriate sanctioning authority.

Recommendation No. 5

State agencies developing sites that are not serviced should only do so after studying, in advance, the consequences of having the lands in the catchment area serviced

The Minister for Finance is informed by the Department of Justice Equality and Law Reform that it has accepted this recommendation. The consequence of developing sites is a matter for each State Agency and the relevant Planning Authority to evaluate.

Recommendation No. 6

Public private partnerships entered into by State agencies should be mindful of defending the interests of the tax-payer particularly where its development of a site is likely to lead to an increase in the value of land in the catchment area

The Minister for Finance is informed by the Minister for Justice, Equality and Law Reform that the acquisition of the Thornton site was outside the PPP process. The Minister is also informed by the Department of Justice, Equality and Law Reform and the Irish Prison Service that they are mindful of the interests of the taxpayer and that the PPP project is being developed in accordance with Department of Finance Guidelines.

The Minister for Finance is informed by the Department of Transport that Section 49 of the Planning and Development Act 2000 provides for the establishment of supplementary development contribution schemes by Planning Authorities. Under these schemes, a planning authority may, when granting planning permission, include conditions requiring payment of a contribution in respect of any public infrastructure service or project. The amount and the manner of payment of the contribution are determined in accordance with the scheme.

In addition, the Minister is informed by the Department of Transport that the Railway Procurement Agency enters into arrangements directly with developers and property owners for the provision of infrastructure and the acquisition of land either at a reduced or a nil cost in recognition of the benefits that transport schemes may bring.

The Department of Transport has also informed the Minister that all land acquisition for national road schemes is carried out by local authorities using their compulsory purchase powers (CPO). Under the rules of compensation applying to the CPO code generally, a set-off can be made for “betterment” as part of the overall determination of compensation for severance and injurious affection but not in respect of Market Value. “Betterment” is any increase in the value of land due to the proposed development which is the subject of the CPO.

In respect of PPP regeneration projects, the Department of Environment, Heritage and Local Government has informed the Minister that the process for acquiring and delivering these projects takes account of the potential increases in the value of the land in the catchment area and of surrounding lands at a number of key stages. For example, all bids must include a description of the expected profits on private units, as well as the appreciation of value on these units, within the regeneration catchment area.

**13. Garda Síochána: Vote 20 (Garda Síochána); and
Annual Report of the Comptroller and Auditor General 2005:
Chapter 3.1- Maintenance of Garda Vehicles**

Recommendation No. 1

There should be no further delays in implementing value for money solutions in the area of Garda vehicle maintenance

The Minister for Finance is informed by the Department of Justice Equality and Law Reform that in 2006 a request for interest process identified five companies capable of undertaking a fleet management contract for An Garda Síochána. This outsourced fleet management contract will involve one company, networked throughout the country, that will be responsible for the maintenance, repair, towing, storage, disposal and auctioning of vehicles. An Garda Síochána considers that this will significantly improve fleet management. A detailed and complex Request for Tender (RFT) document for the provision of the required service was prepared in conjunction with the Chief State Solicitor's Office. This RFT was issued to the five preferred service providers with a closing date for receipt of tender proposals of 3rd July 2008. The process of evaluating the tender proposals received in respect of same is currently ongoing.

The Minister for Finance has also been informed by the Department of Justice, Equality and Law Reform that in February 2008 An Garda Síochána published a Request for Tender for a fleet profile and optimisation study for the Garda Fleet. The aim of the study is to determine the safest, most reliable and fuel efficient vehicles for the Fleet. The contract for An Garda Fleet Profile and Optimisation Study has been awarded. The findings and recommendations of the study will be available in mid-December 2008. The output of this project will enhance the capacity of An Garda Síochána to deliver a professional fleet management service.

Recommendation No. 2

Procedures should be put in place within the Garda Síochána to ensure that the appointment of community Gardaí is done on the basis that they serve in those posts for a minimum of two years

The Minister for Finance is informed by the Department of Justice Equality and Law Reform that the force seeks to ensure that community Gardaí are appointed to a particular post for long enough to allow them to make an effective contribution to policing in the area. The Department of Justice Equality and Law Reform and An Garda Síochána agrees with the Committee's view that two years is an appropriate minimum period. It is difficult to enforce such a policy in all cases in the context that members of An Garda Síochána who are assigned as Community Gardaí and who fulfil the requisite criteria to apply for posts either laterally across the organisation or for promotion are free to apply for vacancies arising to fill the said posts and if successful are then transferred to take up their new postings.

A report and implementation plan for a revised National Model of Community Policing (both urban and rural) will be completed and considered by the Garda Commissioner this year. The recommendations of the Committee for Public Accounts

in this regard will be taken into account in formulating this model, subject to the considerations outlined above.

Recommendation No. 3

The Garda authorities should continue to explore ways of employing civilian staff to replace Gardaí who are currently assigned to clerical and administrative duties

The Minister for Finance is informed by the Department of Justice Equality and Law Reform that it is proposed by An Garda Síochána to carry out a review this year of the potential for further civilianisation. This review will also develop an integrated strategy for future civilianisation.

Recommendation No. 4

The Garda authorities should be pro-active in coordinating the activities of various State agencies involved in medical, social and law enforcement services

The Minister for Finance is informed by the Department of Justice Equality and Law Reform that An Garda Síochána accepts this recommendation and considers the issue to be a priority.

In 2006 a Working Group was established by the Primary, Community and Continuing Care (PCCC) Directorate of the HSE to advise on “Out of Hours” (OOH) responses. (An Garda Síochána was invited to participate in this Working Group along with other agencies.) The focus of the Working Group was child welfare and child protection and that information was collected on out of hours responses to emergency incidents involving mental health, suicide, domestic violence to establish the availability of services. In October 2007 the National Director of the PCCC wrote to the Commissioner advising that the Working Group had completed its report which was adopted by the HSE as a basis for negotiation with key stakeholders to bring about, on a national basis, improved OOH services for the purposes of emergency child protection and welfare. These negotiations have now commenced with IMPACT led by key HSE managers. An Garda Síochána awaits the outcome of these discussions.

14. Office of Public Works: Vote 10 (Office of Public Works)

Recommendation No. 1

The OPW should ensure that, when decentralisation of its office occurs, sufficient numbers of personnel with professional and technical expertise are retained

The Minister for Finance is informed by the Commissioners of Public Works that they accept this recommendation and that the steps being taken by that Office are designed to ensure that adequate numbers of professional and technical staff will continue to be available throughout and after the period of decentralisation.

Recommendation No. 2

The OPW should ensure that, where major works take place, all ancillary works are planned for and completed fully

The Minister for Finance is informed by the Commissioners of Public Works that they accept this recommendation. The Commissioners have further informed the Minister that, with regard to all major works, it is their policy to ensure that the completion of ancillary works forms part of the overall work plan.

**15. Department of Foreign Affairs: Vote 28 (Foreign Affairs);
Vote 29 (International Co-operation); and
Annual Report of the Comptroller and Auditor General 2005:
Chapter 8.1 Overseas Development Aid**

Recommendation No. 1

The Department should ensure that the systems of evaluation are developed in line with the commitments to increase the percentage of national income to be given in aid

The Minister for Finance is informed by the Department of Foreign Affairs that it accepts the Committee's recommendation.

The Evaluation and Audit Unit is staffed by professional evaluation and audit staff, who have significant expertise in overseas development. Evaluation planning and implementation is guided by a new Irish Aid Evaluation Policy. Evaluations are conducted in accordance with an annual evaluation work programme. Supported by the Evaluation and Audit Unit, the operational units (Sections within Irish Aid, Embassies etc) also undertake evaluations that are directly relevant to their particular needs. All evaluations are conducted in keeping with international best-practice and with the OECD-DAC principles for evaluation. Through its engagement in evaluation fora, Irish Aid keeps abreast of developments in evaluation best-practice and incorporates lesson-learning into its evaluation practice.

A review of the management of the Irish Aid programme is currently underway. The review is aimed at ensuring that the systems, structures, procedures of this programme, including the evaluation function, can deliver on the work assigned to it.

Recommendation No. 2

The Department should ensure that key expert personnel are in situ and trained in Irish Aid prior to decentralisation to Limerick

The Minister for Finance is informed by the Department of Foreign Affairs that it accepts this recommendation.

The issues of retention of institutional memory and staff training have been addressed in the context of decentralisation to Limerick. In order to ensure that adequate training is provided, an induction training programme for new staff has been implemented and a knowledge management group has been established. Where possible, extended handover periods have been utilised to ensure continuity of work. Many of the new staff have received training at headquarters prior to relocating. In the early stages of the decentralisation process, priority was given to filling key posts in the management of the Division. The question of the decentralisation of development specialists, who play an important role in the work of the Division, has been the subject of intensive negotiations for some time.

**16. Department of Agriculture and Food Vote 31 (Agriculture and Food);
Annual Report of the Comptroller and Auditor General 2005:
Chapter 10.1 - Single Payment System; and 10.2 - Staff Savings**

Recommendation No. 1

Efforts should continue to be made to simplify the way in which applications for SPS are made so that farmers are not unjustly penalised for genuine minor errors

The Minister for Finance is informed by the Department of Agriculture, Fisheries and Food that it accepts this recommendation and that the application form for the 2008 Single Payment Scheme has been further simplified with a view to minimising application errors.

In addition the facility to submit Single Payment Scheme applications online has also been enhanced in the light of feedback from applicants who used the system under a 2007 pilot project. It mirrors the printed application. A help feature can be viewed for guidance at the point of inputting significant details. The online application is designed with a view to preventing the typical errors that tend to recur on the paper applications each year. In this context there are certain mandatory fields that the online applicant must complete thereby eliminating processing delays due to incomplete forms. The online application also has a warning system that alerts the applicant to a possible innocent error, which in turn will help prevent a possible penalty.

Furthermore, at EU level, the operation of the Single Farm Payment is being reviewed with a view to further simplification. Ireland has submitted proposals for the simplification of the Single Payment Scheme for the CAP Health Check. These proposals are being actively pursued by the Minister for Agriculture, Fisheries and Food and his officials in the discussions on the Health Check, which commenced in early January 2008.

Recommendation No. 2

It is imperative that professional, technical and administrative staff, formerly working on schemes that have been replaced by the SPS, are deployed in the most efficient and effective way possible so as to ensure that nugatory costs are minimised

The Minister for Finance is informed by the Department of Agriculture, Fisheries and Food that it accepts this recommendation. The introduction of the SPS in 2005 formed part of a major change in the operation of the EU Common Agriculture Policy and fundamentally changed the way EU payments were made to Irish farmers. Inevitably it necessitated major changes in that Department's business processes and involved it in new areas of work in relation to animal welfare, the environment, the protection of water resources and wildlife habitats and highlighted the need to strengthen areas of that Department. On the HR side, the restructuring of farm payments led to the identification of surplus administrative staff in certain geographical areas such as Castlebar and in local offices throughout the country. The Department of Finance has worked closely with the Department in redeploying a

significant number of these and since 1 January 2004 overall serving numbers have been reduced by more than 400. There is still a small number of surplus staff in a number of rural locations and while these staff are effectively employed on SPS and other work, they will be redeployed as and when vacancies arise in other Departments.

Recommendation No. 3

The Department, in conjunction with the Department of Finance, should continue to work to achieve an alignment in their respective figures of the numbers of staff needed

The Minister for Finance is informed by the Department of Agriculture, Fisheries and Food that it accepts this recommendation.

An agreement has been reached which allows the Department of Agriculture Fisheries and Food the flexibility to deal with critical emerging resource issues and new areas of work. It was also agreed that, while continuing the work of adapting its structure and business processes to the changing environment, the Department of Agriculture, Fisheries and Food will continue its drive to produce efficiencies and reduce overall staff numbers.

Recommendation No. 4

The Department should continue to encourage primary producers to follow consumer driven markets by improving the quality of their products

The Minister for Finance is informed by the Department of Agriculture, Fisheries and Food that it accepts this recommendation. The AgriVision 2015 Action Plan is intended to drive the development of innovative, competitive and market and consumer oriented agri-food sector.

The advent of the decoupled Single Farm Payment means that primary producers are no longer required to produce for the purposes of attracting premia and are free to focus on the requirements of the marketplace. The decoupling of the Single Farm Payment and its linkage with a range of environmental and good farming practice requirements is part of a wider approach to orienting agricultural production with consumer expectations. In addition the Rural Environment Protection scheme and the Suckler Cow Animal Welfare Scheme are also designed to ensure that the agricultural products will be produced in a manner to meet emerging consumer expectations.

Apart from this, a number of measures for ensuring high standards of food quality are administered under the aegis of the Department. These include quality assurance schemes operated by An Bord Bia in the beef, lamb, pig meat, poultry eggs and horticultural sectors, all of which involve independent certification to EN 45011 standard.

**17. Department of Community, Rural and Gaeltacht Affairs
Vote 27 (Department of Community, Rural and Gaeltacht Affairs); and
Annual Report of the Comptroller and Auditor General 2005:
Chapter 7.1 - Agency Services: Control of Advances to Pobal**

Recommendation No. 1

Systems should be put in place to evaluate whether the services being provided with the assistance of Pobal are delivering value for money

The Minister for Finance is informed by the Department of Community, Rural and Gaeltacht Affairs that it accepts the recommendation and that in relation to programmes administered for it by Pobal:

- An independent national evaluation of the RAPID Programme was published in June 2006 and the recommendations of that evaluation are currently being implemented.
- A Value for Money and Policy Review of the Local Development Social Inclusion Programme was undertaken in 2007. The final draft of the report, which makes an assessment on the reasonableness of Pobal's costs in administering this scheme, will be cleared shortly by the Department of Community, Rural and Gaeltacht Affairs. Recommendations from the Review will be considered for implementation in due course.
- A Value for Money Review of certain leverage schemes is to be undertaken during 2008.

The Department of Community, Rural and Gaeltacht Affairs has put in place an overarching framework agreement with Pobal alongside more tailored service-level agreements for individual programmes. In addition, an independent benchmarking of Pobal's performance is to be undertaken.

Recommendation No. 2

The new procedures introduced for approving drawdown requests for funds from Pobal need to be reviewed on an ongoing basis so as to ensure that the systems in place will result in money being forwarded to bodies only when it is required to meet liabilities

The Minister for Finance is informed by the Department of Community, Rural and Gaeltacht Affairs that it accepts this recommendation.

The Minister is further informed by that Department that new arrangements were introduced in mid-2006 to address issues raised by the Comptroller and Auditor General. These arrangements were further underpinned by a Framework Agreement between that Department and Pobal, the purpose of which was to set out the general oversight requirements, terms and conditions attaching to the issue of Exchequer or EU co-funding from Departments and public bodies to Pobal. The Department has also advised that it has instituted improved monitoring arrangements to ensure that the level of funding advanced to Pobal for onward payment to beneficiaries is kept at a level consistent with liabilities.

Recommendation No. 3

Reviews of drugs strategies currently being undertaken should include definite proposals aimed at counteracting the problems caused by abuse

The Minister for Finance is informed by the Department of Community, Rural and Gaeltacht Affairs that it accepts this recommendation.

The Minister is further informed by that Department that the key conclusions of the mid-term review of the National Drugs Strategy in 2005 were that the aims and objectives of the Strategy were fundamentally sound and that progress was being made across the various pillars.

Arising from the mid-term review, a Working Group, chaired by the Department, examined the issues surrounding rehabilitation and reported to the Cabinet Committee on Social Inclusion in March 2007. The current Programme for Government commits to the implementation of the recommendations of that report.

A National Drugs Strategy 2009-2016 Steering Group has recently begun work on the development of a new Strategy for the coming eight years.

Recommendation No. 4

Gaeltacht areas should be definitively and accurately mapped as a matter of priority

The Minister for Finance is informed by the Department of Community, Rural and Gaeltacht Affairs that it accepts this recommendation.

The Minister is further informed by that Department that the position with regard to the availability of a map of the Gaeltacht was clarified with Ordnance Survey Ireland (OSI), which is Ireland's national mapping agency, in February 2007. As outlined in the Department's letter to the Clerk of the PAC on 22 February 2007, OSI has specific duties under the Official Languages Act 2003, in particular Part 5 and the Placenames Orders made by the Minister for Community, Rural and Gaeltacht Affairs in 2004. These duties include publishing Irish language only placenames on any of OSI's large-scale mapping of the Gaeltacht areas published after 1 January 2005.

To ensure that it could with confidence conform to these duties, OSI worked with officials of the Department in 2004 to confirm the extent of the Gaeltacht areas (referencing the various Gaeltacht Areas Orders). Once OSI had received confirmation as to the extent of the areas, it included them in its county boundaries datasets, which are a standard product of OSI, available to customers. The boundaries datasets contain a range of other boundary information, including townlands and electoral divisions (in defining which OSI worked closely with the Chief Boundary Surveyor and Department of the Environment, Heritage and Local Government staff). It is this OSI product, validated by other relevant experts, that is the first definitive map of the Gaeltacht.

Furthermore, as part of a major 2 year socio-linguistic study of the use of Irish in the Gaeltacht, funded by the Department of Community, Rural and Gaeltacht Affairs, the National Institute for Regional and Spatial Analysis (NIRSA) in University College Maynooth was commissioned to produce accurate maps of the Gaeltacht areas, drawing on OSI data. That mapping work has been completed and arrangements will be made by the Department of Community, Rural and Gaeltacht Affairs to forward copies of the maps to Members of the Committee as soon as they are available.

**18. Department of the Environment, Heritage and Local Government:
Vote 25 (Environment, Heritage and Local Government);
Annual Report of the Comptroller and Auditor General 2005:
Chapter 5.1 - Landfill Targets;
Local Government Fund 2005; and Environment Fund 2004 and 2005**

Recommendation No. 1

The Department should set meaningful targets in the manufacturing, production, wholesale, retail and distribution sectors of the economy in respect of the minimisation of waste and the transfer away from landfill facilities

This is a policy matter for consideration by the Minister for the Environment, Heritage and Local Government in the first instance.

The Minister for Finance is informed by the Department of the Environment, Heritage and Local Government that over the last decade a suite of policy initiatives, developed by the Department of the Environment, Heritage & Local Government, have provided the framework for waste management policy in Ireland. This has resulted in considerable progress in improving recycling rates and in achieving EU and National recycling targets. These policies are predicated on the prevention and minimisation of waste.

The development and implementation of modern policy initiatives is continuing, as represented by, for example, the introduction of producer responsibility initiatives, the extension nationwide of the 'polluter pays principle' to householders, and the commencement of a National Waste Prevention Programme.

The National Strategy on Biodegradable Waste outlines a range of measures towards the statutory targets contained in the EU Landfill Directive which includes the setting of national waste prevention targets for biodegradable waste. The Programme for Government commits to the implementation of the Strategy.

The Programme for Government indicates a further development of waste and resources policy in the direction of sustainability. A major international review being undertaken by the Department will address how best to implement waste prevention and minimisation and build on the progress already achieved. The Study will look at best practice internationally (including economic instruments) and will evaluate the suitability and effectiveness of current statutory and regulatory arrangements. It will also look at likely future constraints on the development of the waste management sector which will impact on the ability to meet our national and EU obligations including anticipated EU legislation which will enter into force within the next decade

Recommendation No. 2

In relation to the Tribunal of Inquiry into Certain Planning Matters and Payments the Department should acknowledge in its accounts that there is a contingent liability and estimate, in so far as it can, what that contingent liability might be

The Minister for Finance is informed by the Department of the Environment, Heritage and Local Government that it has noted that the Comptroller and Auditor General is carrying out an examination of the systems in operation at selected inquiries for approving, recording and controlling costs and of the feasibility of computing an estimate of likely final costs to the Exchequer. The Department of the Environment, Heritage and Local Government is cooperating fully with this exercise.

In the context of the review by the Department of Finance of public financial procedures, currently underway, consideration is being given as to whether and how best to note contingent liabilities in the Annual Appropriation Accounts.

Recommendation No. 3

The Department should ensure that leases entered into for the storage of electronic voting machines are cancelled with the minimum cost to the State

This is a policy matter for consideration by the Minister for the Environment, Heritage and Local Government in the first instance.

The Minister for Finance is informed by the Department of the Environment, Heritage and Local Government that consultants with valuation expertise were engaged in May 2007 to examine local storage arrangements where leases entered into in respect of the electronic voting machines are still in operation, with a view to making recommendations, where appropriate, in relation to the conclusion of these leases on a least cost basis for the State and to manage the process on a case by case basis. The Minister is further informed by that Department that the consultants have completed the first phase of their work and arrangements are now being put in place for implementation of the consultants' recommendations.

Recommendation No. 4

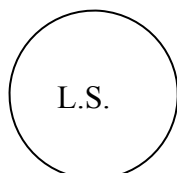
The Department, in over-seeing the operation of the Rental Accommodation Scheme, should endeavour to maximise the increase in the number of housing units being provided nationwide rather than merely accommodating those who previously had been in receipt of rent allowances from the various health authorities

The question of the increasing number of housing units referred to is a policy matter for consideration by the Minister for the Environment, Heritage and Local Government in the first instance.

The Minister for Finance is informed by the Department of the Environment, Heritage and Local Government that the main purpose of the Rental Accommodation Scheme is to assess households in receipt of rent supplement who are deemed to have a long term housing need and to ensure that they have appropriate housing support.

Within the approved level of resources, housing authorities are actively engaged in seeking new sources of good quality rented accommodation from the private market. A number of specific initiatives have been taken to increase the supply. Local authorities have entered into over 625 such arrangements by the end of 2007. In addition the Department of Environment, Heritage and Local Government, has engaged the Affordable Homes Partnership to procure under a Public Private Partnership up to 1,000 units of leased accommodation in the Greater Dublin area over the period 2008-2010.

Given under the Official Seal
of the Minister for Finance on
this the 30th day of October,
2008



David Doyle
Secretary General
Department of Finance