

# Second progress report on the Public Service Reform Plan

**January 2014**



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# Introduction

**R**adical and sustainable reform of the Public Service has been prioritised as an important element in the Government's strategic response to the economic and fiscal crisis. A new Department of Public Expenditure and Reform was set up in 2011, bringing the issue of reform into the heart of government, and integrating expenditure management and reform for the first time. One of the first actions of the Department was to develop the Public Service Reform Plan, which was published in November 2011.

The Reform Plan set out almost 200 actions over 14 main areas of reform and significant progress has been made in its implementation. Some of this progress was set out in the First Progress Report on the Reform Plan (September 2012). This Second Progress Report is now being published, alongside an updated Reform Plan, which reflects the new objectives and actions of the Government's ambitious reform agenda.

The progress in this report is set out under the five major commitments to change identified in the 2011 Public Service Reform Plan. These are:

1. Placing customer service at the core of everything we do;
2. Maximising new and innovative service delivery channels;
3. Radically reducing our costs to drive better value for money;
4. Leading, organising and working in new ways; and
5. Strong focus on implementation and delivery.

The Public Service has changed the way it conducts its business in order to ensure that it continues to deliver high quality services in the context of decreasing budgets and reduced staffing levels, at a time when demand for services is actually increasing. The Public Service has risen to this challenge. Through adopting a whole-of-Government approach, the implementation of the 2011 Reform Plan has already significantly changed the Public Service in terms of how it is managed, how it is organised and how it delivers services.

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The number of staff employed in the Public Service has been reduced by almost 10 per cent since 2008. However, at the same time, demands on public services have increased, due to demographic and economic factors. For example:

- numbers in receipt of social welfare payments have increased by some 260,320 or 18% in the last four years (2008-2012);
- there are approximately 506,000 more medical card holders now than in 2008;
- in acute hospitals, the number of Day Cases increased by 92.5% in the 10 years up to 2012;
- there are nearly 6% (49,000) more children in our schools now (2012/2013) than in 2008/2009; and
- there are additional demographic pressures with almost 350,000 more people living in Ireland in 2011 than in 2006, as well as the trend towards an ageing population. Each year, an additional 20,000 people of 65 years or over are added to the population.

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In this context, strong progress has been achieved in the implementation of the Public Service Reform Plan over the last two years. More detail is included in the main body of this report but some particular highlights include:

- significant workplace reforms which have meant that the Public Service has been able to reduce staff numbers by around 30,000 while maintaining service delivery;
- the reduction in staff numbers has been a key factor in reducing the cost to the Exchequer of the pay of public servants from €17.5 billion in 2009 to €14.1 billion in 2013;
- the Haddington Road Agreement, the biggest productivity deal in the history of the State, will deliver a further reduction of €1 billion in the Public Service pay and pensions bill by 2016, providing for almost 15 million additional working hours annually across all sectors and enabling the next wave of reform;
- the implementation of new shared services models such as PeoplePoint, the new HR and Pensions Shared Service for the Civil Service, which is now operational and already servicing 15,000 employees;
- the radical reorganisation of some key cross-cutting functions such as the creation of a new model for public procurement led by the Office of Government Procurement, which is targeting savings of €500 million over the next three years;
- the evaluation of new business models for the delivery of certain activities such as debt management;
- initiatives to make access to public services easier and more streamlined such as the roll-out of the Public Services Card, with over 500,000 cards issued to date, and the increased availability of information and online services such as [fixyourstreet.ie](http://fixyourstreet.ie) and real time transport information; and



- strong, effective structures have been put in place to oversee the delivery of the Reform Plan, with a dedicated and robust governance model led by a Cabinet Committee, a new Reform and Delivery Office coordinating and supporting implementation and complementary structures at Departmental / sectoral level.

These are just some very high-level examples with further examples following throughout this report. It is important to acknowledge that Public Service Reform is an ongoing process that will continue

beyond the lifetime of the 2011 Reform Plan. This is why the Reform Plan has been refreshed with new objectives and actions reflecting international best practice. The Public Service Reform Plan 2014-2016 is being published alongside this report.

While the Public Service has been delivering on key elements of the Reform Plan right from the outset, some elements of reform, particularly major projects such as shared services, take time to implement and realise savings and other planned benefits. The graph below illustrates the typical reform life cycle for such major projects which generally follow a four staged approach; commencing with a baseline stage, followed by design, implementation and benefits realisation.

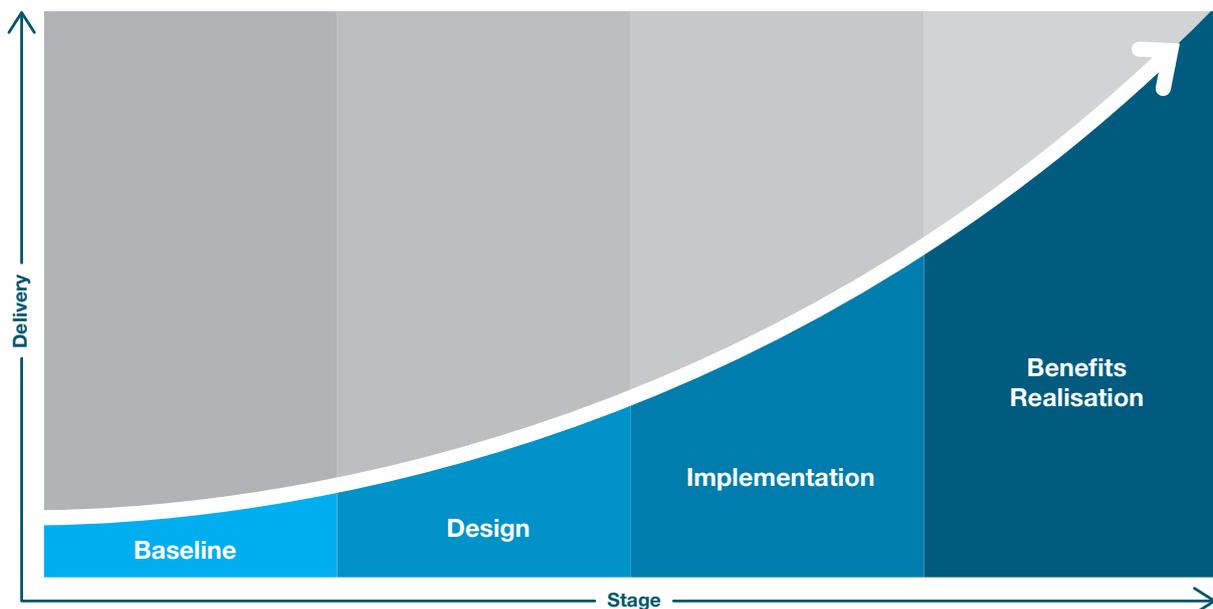
The rest of this report sets out examples of progress on implementing the Public Service Reform Plan under each of the five main commitments to change.

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The Haddington Road Agreement, the biggest productivity deal in the history of the State, will deliver a further reduction of €1 billion in the Public Service pay and pensions bill by 2016.

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## Reform Life Cycle



There are many reform initiatives in different stages of the reform lifecycle. Typically, major reforms follow a four staged approach which includes; baseline, design, implementation and benefits realisation



# 1. Placing customer service at the core of everything we do

## 1.1

### Key Commitments

The Public Service Reform Plan contains a number of commitments that focus on:

- supporting citizens and businesses where and when they need it most;
- making their interaction with the State as simple and seamless as possible and improving the customer's experience in engaging with the Public Service;
- as well as enhancing customer services through a range of initiatives.

These include increasing the electronic delivery of services, improving openness and transparency in the delivery of services, improving the experience of customers and improving communications and engagement with customers.

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Access to public services is becoming easier. For example, the roll-out of the Public Services Card, which will facilitate easier access to Government services, is ongoing. Over 500,000 cards have now been issued.

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access to public services more efficiently. The Department of Social Protection has a target of 900,000 cards being issued in 2014.

A key strategy of the Revenue Commissioners is to reduce the administrative burden of compliance. This strategy has seen a reduction in the administrative burden placed on businesses by 25% up to the end of 2012, saving the business community over €85 million per year.

The Department of Health and HSE have worked closely to ensure that phased implementation of Money Follows the Patient (MFTP) commenced on schedule in January 2014. The introduction of MFTP will deliver significant benefits including driving greater efficiency in the delivery of services and supporting the provision of quality care in the most appropriate setting. MFTP is also an important building block for Universal Health Insurance (UHI). The commencement of implementation followed considerable preparatory work undertaken during 2013. This included publication of a detailed MFTP Policy Paper; a stakeholder consultation process; a readiness review conducted by an international expert; a shadow funding exercise; and preparatory work for the establishment of a Healthcare Pricing Office on an administrative basis.

## 1.2

### Progress Made

Access to public services is becoming more streamlined. The Department of Social Protection has launched Intreo, which is a single point of contact for all employment and income supports. Intreo will provide a more streamlined approach and offers practical, tailored employment services and supports for both jobseekers and employers. In addition, as part of the Intreo service, the previously separate processes involving entitlement, investigation and decision have been brought together in a single decisions team leading to more efficient outcomes for the customer.

Access to public services is becoming easier. For example, the roll-out of the Public Services Card, which will facilitate easier access to public services, is ongoing. Over 500,000 cards have now been issued and resources have been allocated to support further roll out.



The card will eventually be used by a range of public bodies to identify an individual at points of service, which will enable individuals to gain

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Public Office opening hours are being extended across all sectors of the Public Service. For example, the Department of Social Protection has extended opening hours in Intreo offices, meaning that a range of services will be provided to customers between 9.15am and 5.00pm. In addition, the Passport Office has also extended its office opening hours from 9.30am - 4.30pm to 9.00am - 5.00pm.

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The Ireland Stat pilot website was launched in 2012. This is a whole-of-Government performance measurement system which aims to provide greater performance information and increased accountability in the delivery of public services. It will provide citizens with information on what the Irish Government has achieved, what it has done to achieve the goals it has set and how much it has cost the Exchequer. The pilot project included seven programmes from four Government Departments on areas such as food safety, innovation and flood risk management. A review of the pilot website has been completed and Ireland Stat is now being extended to include all Government Departments.

### **Ireland Stat** Government performance measurement

A significant programme of political and legislative reform is being delivered to make government more open, transparent and accountable to citizens and other service users. The Freedom of Information Bill was published in July 2013. The legislation extends FOI to almost all public bodies and removes many of the restrictions introduced in 2003, thus making it easier to access public information. This Bill will ensure that Ireland's Freedom of Information regime contributes to the effectiveness and efficiency of the administrative and decision-making systems in the Civil and wider Public Service and brings fundamental benefits to the quality of public governance in Ireland.

Ireland is moving towards full membership of the Open Government Partnership. This is a global initiative aimed at securing commitments from governments to share more information about their activities, increase civic participation in decision-making, fight corruption and harness new technologies to strengthen governance. This will promote transparency and empower citizens and provides an important international complement to national reform efforts.

At the Open Government Partnership London Summit 2013, the Minister for Public Expenditure and Reform announced a suite of measures designed to provide major impetus to Open Data in Ireland which, subject to Government approval, include signing up to the G8 Open Data Charter, establishing an Open Data Board to design and oversee effective governance of Open Data in Ireland, setting up an Open Data Implementation Group to drive progress in making public sector data much more widely available and accessible, and building an online Open Data Platform to act as the primary source for public sector datasets.

A review of the existing accountability framework for ministers and civil servants has started. Based on this review, a consultation paper has been published with a view to exploring possible reform options seeking to strengthen Civil Service performance and accountability.

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An examination of both Irish and International approaches to Civil Service accountability has commenced and a consultation paper has been published which reviews the current framework governing ministerial responsibility and the accountability of civil servants.

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The Public Service is improving how it engages with service users. In 2012, the Department of Public Expenditure and Reform published revised guidelines for Customer Charters. This initiative involves a four stage process of consultation with customers, setting service targets, monitoring activity and publishing details of the progress made.

The way in which services are provided is also being considered, both in terms of the optimal delivery model and in terms of focusing on outcomes. For example, the Child and Family Agency was established with effect from 1 January, 2014 and is now responsible for a range of services relating to children and families previously carried out by the HSE, the Family Support Agency and National Educational Welfare Board. The establishment of the Agency represents the most comprehensive reform of child protection, early intervention and family support services ever undertaken in Ireland.

In addition to this, a Children and Young People's Policy Framework

is being developed which will provide a seamless, whole-of-childhood approach to policy making and facilitate the delivery of better outcomes for children and young people.

A Standard Bank Account pilot project was completed in 2013 in accordance with the recommendations of the report on the Strategy for Financial Inclusion, which was presented to Government in December 2011.

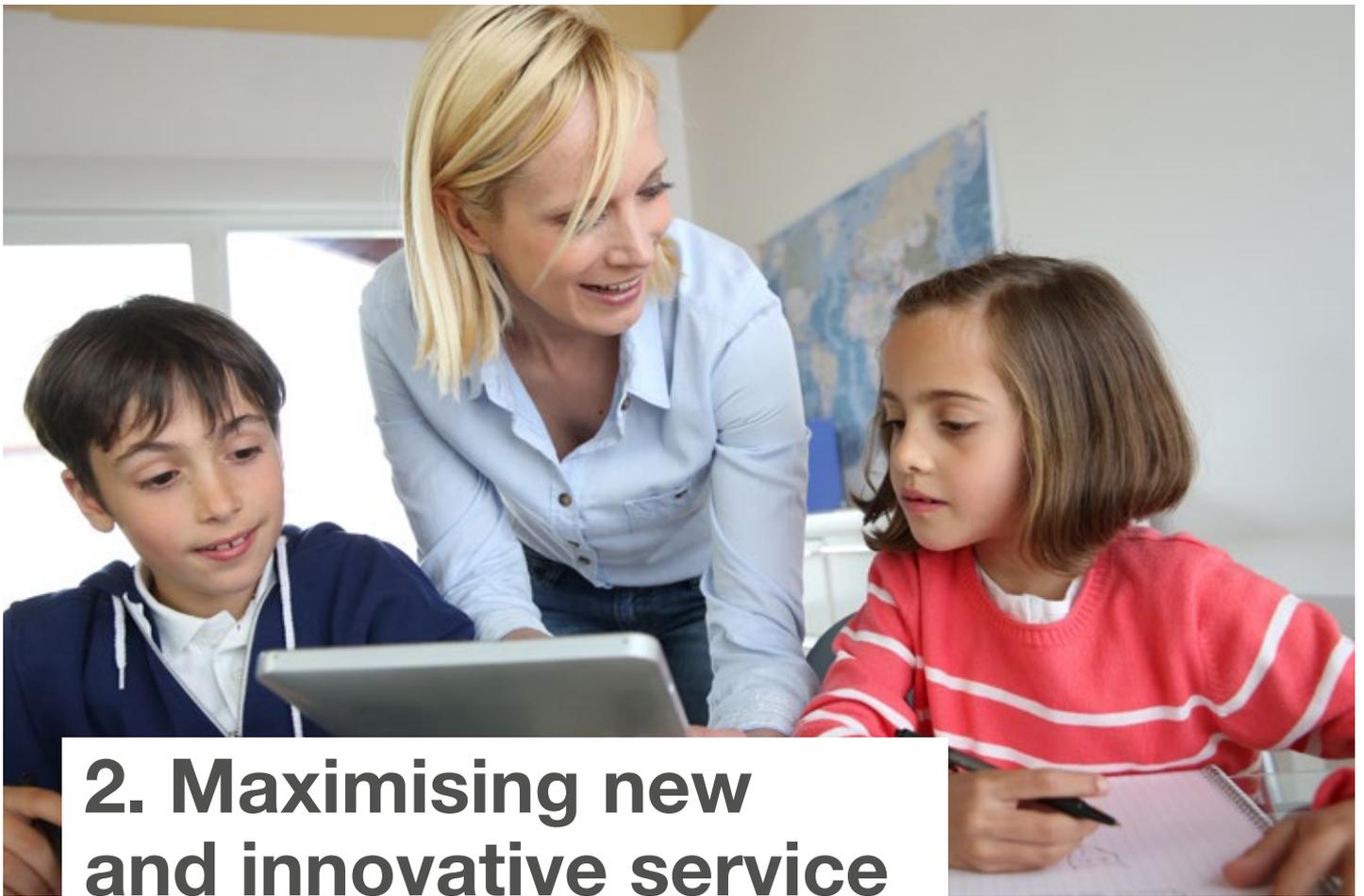


The creation of Irish Water will enable a greater focus on the single integrated delivery of water and waste water services to the citizens of Ireland. There will be one agency focused on delivering water services instead of 34 local authorities.

This is a transaction account designed to meet the needs of the financially excluded i.e. those without a bank account. A report on the pilot project was submitted to Government in December 2013, with roll-out nationally to commence in early 2014.

The Central Statistics Office has continued to reduce the total administrative burden placed on Irish business. The measurement of this burden is published annually in the Response Burden Barometer (RBB) report. The most recent publication of the RBB shows that in the period from 2008 to 2012, the total administrative burden on Irish business decreased by 33%, exceeding the target reduction of 25% over this timeframe.

The Health and Safety Authority has developed a free online tool for small employers to enable them to achieve compliance with Health and Safety legislation in an easy and very economical manner. The tool called BeSmart is available free online at [www.BeSmart.ie](http://www.BeSmart.ie). This tool has now been used by over 16,500 employers across all sectors of the economy.



## 2. Maximising new and innovative service delivery channels

### 2.1

#### Key Commitments

The Public Service Reform Plan places a renewed emphasis on the use of innovative technologies to support enhanced customer service, to improve information sharing and to reduce transaction costs across the Public Service. In particular, the Plan focused on making more progress in the area of eGovernment to ensure the availability of increased information and services online through electronic channels and to improve the sharing of data on business across the Public Service.

### 2.2

#### Progress Made

The eGovernment Strategy 2012-2015 published in April 2012 is ensuring a strong focus on the citizen and is driving better and more innovative use of technology which is improving the citizen experience. All public bodies are now required to develop detailed eGovernment project plans.

The recent establishment of the Office of Government Chief Information Officer (OGCIO) is an important development in the Government's ongoing commitment to maximising the potential benefits of ICT in improving the efficiency and effectiveness of public service delivery. A new Chief Information Officer was appointed to provide guidance and leadership at the executive level across the entire IT spectrum, and take responsibility for the development of the ICT

strategy for Government and the wider Public Service.

The strong focus on ensuring that eGovernment services are more easily accessible to citizens and businesses is referenced in the re-design of the portal [www.gov.ie](http://www.gov.ie). This site now includes quick links to more than 400 information and transaction services including those relating to Revenue, Social Welfare, Higher Education Grants, Motor Tax and Property Registration. This is being expanded on a continuing basis as more eGovernment projects come online.

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[The Irish Prison Service is working with the Courts Service on expanding the use of video links with Court venues. This will result in savings for the IPS and a productivity gain for both the IPS and An Garda Síochána.](#)

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The availability of more information and services online is ongoing. For example:

- fixyourstreet.ie, which allows the public to report non-emergency issues such as graffiti, water leaks and broken footpaths to their local authorities, has been rolled out to all City and County Councils.



- The www.welfare.ie website has been redesigned to support the new mandate of the Department of Social Protection in relation to employment services. This includes a dedicated Intreo area - www.intreo.ie - through which employers and jobseekers can access all existing information and services in relation to support, training and entitlements.
- The launch of iXBRL facilities which allow the presentation of financial and accounting information in a computer readable format on the Revenue Online System (ROS) in November 2012 marked a further step in the provision of a complete suite of online services by Revenue.
- The introduction by Revenue of eRelevant Contracts Tax (eRCT) has eliminated over one million paper documents from the system, reduced the administrative burden on business by an estimated €24.3 million and freed up over 100 personnel previously engaged in transaction processing for deployment to other value added work.

- An online land registry portfolio search and purchase facility has been launched by the Property Registration Authority. In addition the PRA's www.landdirect.ie allows citizens to inspect PRA Registry data (folios and maps) across the internet.
- In education, all second level schools will have 100 Mbps broadband installed by the end of 2014 with 216 schools connected in 2013.
- In less than nine months, Revenue introduced a new local property tax designed to make the tax easy to pay but difficult to avoid. An online, easy to use pay and file facility was a key feature of the approach - almost 80% of local property tax returns were filed electronically and a 90% voluntary compliance rate was achieved.
- Myplan.ie – a web-based national planning information service - has been launched by the local government sector. This initiative has seamlessly integrated over 400 plans of the 34 City and County Councils with a wide range of other spatial planning maps and data.



- The Local Government Portal "localgov.ie" is now online and will facilitate one stop shop access for all citizens to all local authority services.
- The Environmental Protection Agency launched a new iPhone App - "See it? Say it" - in February 2013 to allow members of the public to report environmental pollution in their towns and villages. Use of the App enables the automatic routing of the complaint to the relevant local authority for follow up.

- The Personal Injuries Assessment Board has re-designed its website to facilitate accident victims who wish to submit their compensation claims online. Additionally, they have launched a free smartphone app to make it easier for consumers to access its personal injury services on-the-go.
- The Arts Council now manages all its funding schemes, from application to payment stage, online. This has resulted in a reduction in decision times for applicants by half and has also significantly reduced the payment processing time to a matter of days. In addition, it has eliminated application postage costs for the submission and return of materials.

The Department of Social Protection continues to roll out new and innovative delivery channels, for example, the introduction of new IT systems and business processes including the introduction of electronic signing in public offices, form scanning in claim processing centres and online claiming for certain schemes.

A Data Sharing Clearing House has been established to drive data sharing and instructions have issued to provide advice on data sharing arrangements between public bodies. In September 2013, the Government also agreed a number of measures to improve data-sharing and data-governance in the Public Service including the preparation of the Heads of a Data-Sharing and Governance Bill which will improve the experience of citizens in accessing Public Services more effectively and securely.



## 3. Radically reducing our costs to drive better value for money

### 3.1

#### Key Commitments

A key objective of the Public Service Reform Plan is the delivery of services more efficiently and at reduced cost. It contains a number of actions that focus on reducing costs across the Public Service through a reduction in staff numbers, the use of new business models and working in new ways. The rationalisation and streamlining of State Bodies is a key deliverable of the reform programme. The introduction of Cloud Computing and the implementation of measures to reduce the costs of ICT provision in Public Bodies are also key actions in the Plan.

### 3.2

#### Progress Made

The cost to the Exchequer of public servants pay was €17.5 billion in 2009. Taking account of the reductions since then, including significant reductions in staff numbers, the application of a pension levy specific to public servants and of pay reductions, the cost to the Exchequer was €14.1 billion in 2013.

Despite this reduction, public servants continue to provide quality public services and meet the demands caused by the economic crisis and the needs of a rapidly changing society.



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The Department of Jobs, Enterprise and Innovation has achieved a 25% reduction of administrative burdens on business within its areas of responsibility. This amounts to an annual reduction of €207 million in business costs. These savings have been realised mainly in the areas of Health and Safety Law, Company Law and Employment Law where savings of €124 million, €82 million and €1.2 million respectively, have been made annually.

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A significant reduction in overall Public Service numbers is a key element of the Reform Plan. Public Service numbers have now been reduced by over 30,000, from a peak of 320,000 in 2008 to under 290,000.

The Public Service 'Croke Park' Agreement was a significant facilitator of a sustained reduction in Public Service costs, both pay and non-pay, as evidenced by the final report of the Implementation Body. The report on progress under that Agreement concluded that it facilitated significant cost savings, amounting to €1.8 billion over its lifetime, comprising of almost €1 billion in pay savings and over €800 million in non-pay efficiency savings, while also ensuring the

delivery of a large number of reforms across all sectors of the Public Service. The Implementation Body found that the overwhelming majority of commitments around cost extraction, reform and changed work practices had been delivered and that it was clear that a more substantial agenda of reform had been implemented across the Public Service, beyond what was originally envisaged at the commencement of the Agreement.

The Implementation Body also noted that the Agreement had reached the final stages of implementation. On 1 July, 2013, the Haddington Road Agreement came into force. The Agreement will deliver a reduction of €1 billion in the Public Service pay and pensions bill by 2016, with €300 million of those savings delivered in 2013. The Agreement reaffirms many of the provisions under the Croke Park Agreement but also facilitates the next wave of reforms which would not have been possible under the framework of the Croke Park Agreement.

One of the most important aspects of the Haddington Road Agreement is the opportunity to deliver an unprecedented increase in Public Service productivity. The various productivity and reform measures when fully implemented will add almost 15 million additional working hours annually, across all sectors of the Public Service, which will deliver significant cost reductions of approximately €430 million. In addition to the obvious cost benefits, those hours will provide Public Service management with the scope to accelerate the reform agenda and to deliver improvements in the services they deliver. The implementation of these additional hours, as well as other reforms provided for under the Agreement, will be monitored through new Integrated Reform and Delivery Plans prepared by all Departments/major Offices. The Agreement also commits to a wide-ranging suite of workforce reforms across all sectors.



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The Personal Injuries Assessment Board (PIAB) has delivered significant savings by removing €100 million per annum in litigation costs that ultimately impact on the cost of all goods and services. The board has also reduced its processing fee by 43% from €1,050 to €600 per case over the past 3 years.

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The Government has agreed a range of measures aimed at achieving a more focused and integrated approach to property asset management across the Public Service. The reduction in Public Service staff numbers, coupled with organisational changes such as shared services and the rationalisation of agencies, will facilitate a reduction of the amount of accommodation required by the Public Service. To this end, a Property Management Action Plan setting out a broad range of measures to deliver efficiencies in the State's extensive property portfolio and a more joined-up approach to property management was published by the Office of Public Works (OPW) in July 2013. In addition, a new web-mapping register will show core data for all State property, while the Optimising Power @ Work energy awareness programme will be rolled out by the OPW to more State buildings in the coming years.

Progress in property rationalisation has also been made in a number of other areas. The OPW has delivered approximately €30 million savings in annual rent each year since 2009 through a lease rationalisation programme and rent review negotiations which has reduced both the annual rental bill and the office property footprint occupied by the Civil Service. In addition, in the Defence sector, 14 barracks which were deemed surplus to requirements, have been closed since 1998 and since 2003, a further 40 reserve premises have been closed under the reserve organisation programme.

Public procurement reform is also a key priority in the Reform Plan and a comprehensive external review of the Central Procurement Function was undertaken in 2012 to identify the actions required to realise substantial savings. The Office of Government Procurement, led by a Chief Procurement Officer, has now been established with a target of €500 million in savings over the next three years. This will involve, among other things, the greater integration of procurement policy, strategy and operations in one office; the strengthening of spend analytics and data management; much greater aggregation of purchasing across public bodies to achieve better value for money; and the strengthening of vendor and category management.

The Local Government sector achieved procurement savings of €109 million between 2010 and 2012.

A new single pension scheme, which commenced on 1 January, 2013, will deliver significant long-term savings in Public Service pension costs.

Significant progress has been made by Departments on the implementation of the State Agency rationalisation programme. The most important benefit from this rationalisation of State Bodies will be a less crowded administrative landscape, resulting in greater democratic accountability, less duplication of effort and clearer lines of responsibility for the citizen.

To date, rationalisation and amalgamation measures involving 44 bodies have been fully implemented. This includes, for example, the enactment of the Education and Training Boards Act in May 2013 which provided for the establishment of sixteen Education and Training Boards (ETBs) on 1 July, 2013 to replace the existing thirty three Vocational Education Committees. ETBs now have an expanded role in the delivery of further education and training across the country. In addition, SOLAS, the new further education and training authority, was established in October 2013 and FÁS has been dissolved.

Measures involving a further 63 bodies are at advanced legislative or administrative stages. Further measures, involving 109 bodies identified from the critical review process undertaken in 2012, are also being implemented.

It is planned to secure some €20 million in enhanced service efficiencies and value-for-money from the rationalisation programme. The bulk of the savings are derived from a reduction in the number of public servants working in the merged entities and from other administrative efficiencies.

A rigorous programme of efficiency measures, organisational streamlining and performance evaluation is being implemented in the local government sector to ensure that local government achieves the highest standards of performance and provides the best possible quality of service to customers, citizens and taxpayers.

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The number of Court venues outside Dublin (excluding Cork City) has been reduced to 94 from a total of 267. A further review and consultation process was carried out and 48 venues were identified for consideration for closure.

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The Government's Cloud Computing Strategy was published in 2012. Cloud Computing is a radical new approach to the delivery of ICT services which will reduce the number of computing facilities, as well as reducing the numbers of people and costs required to operate and manage ICT environments.

There have also been significant advances in productivity across the sectors.

In the health sector, there were 13.4% fewer patients on trolleys in 2013 than in 2012. This equates to a reduction of 8,814 patients on trolleys year on year.

The total number of adults waiting more than eight months for an inpatient or daycase procedure at the end of August 2013 was 6,305. This compared with a figure of 7,645 in August 2011, a reduction of 18%. At the end of August 2013, the number of children waiting more than 20 weeks for inpatient or day-case surgery was down to 908 from 1,759 in December 2011, a 48% reduction. The number of patients waiting more than 13 weeks for routine endoscopy procedures went down from 4,590 in December 2011 to 1,352 at the end of August 2013, a 71% reduction.

Between 2008 and end 2012, the number of recipients of social welfare payments increased by some 260,319 or nearly 18%, from 1.209 million to 1.469 million. Control reviews of claims increased from 564,000 in 2008 to 1.2 million in 2012. The resultant savings increased from €475 million in 2008 to €669 million in 2012.

The Passport Service is now meeting a record level of demand more efficiently, with improved turnaround times for applicants, fewer core staff resources and at a lower cost. Over 630,000 passports were issued in 2013. Almost 450,000 of these passport applications were received through the Passport Express service, representing a 5% increase over 2012.

Between 2008 and 2012, despite staffing levels falling by 13% and senior management levels falling by 22%, Revenue deployed 30% more staff to work on debt recovery. The ongoing programme of reform and modernisation, involving technological innovation and business reengineering, has allowed Revenue to adapt to changing circumstances and to deploy resources to maintain and improve high levels of tax and duty compliance.







## 4. Leading, organising and working in new ways

### 4.1

#### Key Commitments

New organisational structures and the implementation of new ways of working such as increased use of shared services and the consideration of the external delivery of non-critical functions are significant elements of the Reform Plan. The Plan also includes a number of commitments that centre on enhancing leadership and developing a high performance culture across the Public Service by strengthening performance management systems and tackling underperformance. The Plan also contains a number of commitments to an ambitious programme of political and legislative reform.

### 4.2

#### Progress Made

PeoplePoint, the Civil Service HR and Pensions Shared Services Centre located in Clonskeagh, became operational in March 2013. PeoplePoint brings together shared HR and Pension processes and systems from across Civil Service Departments and Offices to ensure a more consistent and efficient HR and Pension Service. There are now over 15,000 employees serviced by PeoplePoint across 13 organisations. A further 6 organisations will join in February 2014. Once PeoplePoint becomes fully operational serving 40 organisations, the savings are estimated at €12.5 million annually.



The creation of a new single Payroll Shared Service Centre for the Civil Service (in 3 locations – Killarney, Galway and Tullamore) will consolidate and integrate payroll processes and practices from 18 to 3 payroll centres currently providing payroll services to 53 Public Services Bodies. 17 Bodies will transition to the new Payroll Shared Services Centre in 2014. It is estimated that this initiative will achieve savings of €5.6 million per annum when fully operational.

The baselining of Financial Management and Banking arrangements across the Civil Service has been completed and the Financial Management Shared Services Project is now moving to the next phase.

In addition, a baseline study to assess the current provision of Learning and Development across 40 Public Bodies is nearing completion.

The Government has also approved the establishment of a National Shared Services Office on an administrative basis initially to lead Civil Service shared service transformation, to set standards for shared services across the Civil and Public Service and to provide direction for a whole-of-Government approach. These are primarily Civil Service projects. A similar approach is being followed in each of the main sectors, e.g. a Shared Payroll and Superannuation service for all local authorities has been approved.

All new services must now first be tested for external delivery suitability before any approval to deliver the service internally will be granted, so as to ensure that services are provided more efficiently and effectively. A

number of new services are being provided externally, for example, the Revenue Commissioners have appointed a third party call service centre to deal with queries on the Local Property Tax. In addition, Revenue has already transferred certain registration functions of VRT administration to the National Car Testing Service (NCTS) and the running of the State Warehouse to an external contractor - this external delivery approach has enabled Revenue to redeploy over 60 staff to other core work.

The National Consumer Agency (NCA) currently outsources its consumer help-line which handles nearly 60,000 calls each year. The NCA increased its capacity to handle calls by a factor of 3 and in 2011, introduced a new quality control programme to assess and improve call handling that currently scores 94% on a rolling basis.

A cross-organisational evaluation of the Debt Management functions carried out by a range of public bodies has been completed and the Project Board overseeing this process will be bringing a set of proposals for the future delivery of those services to Government shortly.

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There are now over 15,000 employees serviced by PeoplePoint across 13 organisations. A further 6 organisations will join in February 2014. Once PeoplePoint becomes fully operational serving 40 organisations, the savings are estimated at €12.5 million annually.

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In An Garda Síochána, a new roster has been introduced which ensures a more efficient use of Garda resources with the result that more members are working at peak times when they are most needed, particularly at weekends.

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In addition, the major sectors of Health, Justice and Local Government have prepared detailed benefits-driven external service delivery plans. The Education sector, the Departments of Agriculture, Food and the Marine, Social Protection, the Office of Public Works and the Revenue Commissioners are finalising external service delivery plans, which will be brought to Government shortly.

Leadership has been enhanced by the establishment of the Senior Public Service which is working to put in place a more professional and structured approach to ensuring senior management is equipped to address the key challenges facing the Public Service. The introduction of mobility at senior levels across the Civil Service and the embedding of executive coaching as a leadership tool has been instrumental in this regard.

Seirbhís Chúnaimh  
d'Fhostaithe na Státseirbhíse



The Civil Service Employee Assistance Service (CSEAS) was restructured as a centralised,

regionalised shared service in mid-2012. Service is provided to over 32,000 civil servants across all Government Departments and Offices across all regions.

There have been improvements in the management of performance, and underperformance, as well as developing and empowering staff to lead the delivery of change at all levels and in all sectors. Performance Management and Development System (PMDS) changes for the Civil Service have been agreed. The changes are designed to improve the effectiveness of performance management by strengthening fairness and consistency in how performance is evaluated across the Civil Service. Changes include a new Competency Framework, setting out the qualities and behaviours required for job performance and a revised system of ratings with improved descriptions of performance levels.

New sick leave arrangements are being introduced across the Public Service. Reductions in levels of self-certified sick leave were introduced in November 2012, while the reductions in the amount of certified sick leave required legislative change. The Public Service Management (Recruitment and Appointments) (Amendment)

Act, 2013 was enacted in late December 2013 and Part 7A provides the Minister for Public Expenditure and Reform with the legal basis to make regulations providing for the payment of sick leave remuneration. The regulations giving effect to the new public service sick leave scheme will be laid before the Houses of the Oireachtas early in 2014.

A standardised annual leave system has also been introduced across the Public Service with reduced leave benefits for promotees and new entrants.

As well as reducing costs, these measures bring greater uniformity and integration across the system.

Redeployment arrangements are being fully used across the Public Service and have improved management's flexibility to ensure that suitably skilled staff are available to meet identified organisational, operational and business needs of public service organisations.

The Public Service Management (Recruitment & Appointments) (Amendment) Act, 2013 will remove the legislative barriers to redeployment and mobility in the Public Service, thereby facilitating a greater movement of staff between the Civil Service, the health, local



authority and education sectors and the non-commercial semi state bodies.

In An Garda Síochána, a new roster has been introduced which ensures a more efficient use of Garda resources with the result that more members are working at peak times when they are most needed, particularly at weekends.

Workforce planning is now being coordinated in a new way to ensure that staff are positioned and equipped to meet business and service priorities.

In the area of public expenditure reform, a series of reforms in the way in which public money is managed has been introduced. Public spending is now subject to

greater openness, within a more coherent and integrated planning and performance management framework. Performance budgeting has been rolled out and a new Public Spending Code has been introduced which aims to ensure that both current and capital expenditure are subject to more rigorous value for money appraisal in advance of public moneys being spent. To date, the performance budgeting initiative has resulted in a significant reformatting of the estimates documentation to include performance information alongside the resources that are being provided. All Departments and Offices are now publishing details of purchase orders over €20,000 on a quarterly basis and the publication of balance sheets has also commenced.

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Public spending is now subject to greater openness, within a more coherent and integrated planning and performance management framework.

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Furthermore, in October 2013, the Government agreed to proceed with a pilot phase of Social Impact Investing. The Department of Environment, Community and Local Government is currently working to secure private sector investment to deliver a project which places homeless families into sustainable homes.

Greater transparency is being built into the budgetary process by giving the Oireachtas greater oversight of Departmental spending and objectives. This is just one of

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Significant progress has been made on the Government's programme of political and legislative reform to rebuild trust in the State and to make decision making more transparent and accountable.

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a series of expenditure reforms to improve how public money is spent and how performance is measured and reported.

In 2012, the Irish Government Economic and Evaluation Service was established to support better policy-making across the system, through enhanced economic and policy analysis expertise.

Significant progress has been made on the Government's programme of political and legislative reform to rebuild trust in the State and to make decision making more transparent and accountable. For example:

- The Ombudsman Act, 2012 came into effect in October 2012. This resulted in the most significant expansion in the jurisdiction of the Ombudsman in the 30 years since the original legislation.
- The Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act, 2013 has been enacted and commenced in full. The legislation establishes a comprehensive statutory framework for the Oireachtas to conduct inquiries within the current constitutional framework.

- Protected Disclosures legislation to deal with whistleblowing for all sectors of the economy is being introduced. This legislation will ensure best practice, where whistleblowing will be encouraged and promoted and the whistleblower will be protected.
- As part of the programme of political and legislative reform, provision for the statutory regulation of lobbying is being made. This initiative is supported by the OECD. The aim is to shine a light on interaction with those who seek to shape and influence policy across all sectors of society. The General Scheme of a Bill has been approved by Government and was published in May 2013. Drafting of the text of the Bill is currently underway.
- Development of draft Heads of an integrated Ethics Bill is well advanced. This will be a key part of a much improved anti-corruption system which will both control and regulate conflicts of interest in public life in Ireland.

- The next phase of the Dáil reform programme has commenced. This will deliver real improvements to the Dáil's examination of legislation and scrutiny of budgets and spending. It will also bring civil society, interest groups and experts into the legislative process at an early stage. These Dáil reforms are one part of a wider agenda to make parliament more effective and more efficient and to open up the legislative process to more scrutiny. It will also see the Government engaging more with the Oireachtas through an annual statement of priorities to the Dáil and Oireachtas committees having more involvement in the Budget process.





- A major programme to overhaul the Irish statute book and repeal thousands of obsolete regulations and laws has been announced. As a key part of the programme, the Government has approved the drafting of four new Statute Law Revision Bills which will simplify and improve accessibility to the statute book.
- A complementary programme of local government reform is also underway. The Local Government Bill, 2013 will fundamentally reform the local government system in Ireland. The major structural reforms set out in the Bill will see the number of local authorities being reduced from 114 to 31 and the number of elected members falling from 1,627 to 949. The Bill provides for greater efficiency in local government, improvements to local government funding, accountability and governance, as well as providing for local government taking the lead in economic and community development.
- A new National Oversight and Audit Commission for Local Government (NOAC) will be established to provide independent scrutiny of local government performance and in providing value for money for service delivery. NOAC reports will be made public and the Chief Executive will prepare an implementation plan to address any issues raised by the NOAC.

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The major structural reforms set out in the Local Government Bill, 2013 will see the number of local authorities being reduced from 114 to 31 and the number of elected members falling from 1,627 to 949.

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## 5. Strong focus on implementation and delivery





## 5.1

### Key Commitments

The Public Service Reform Plan places particular emphasis on delivery of the Reform Agenda. It also highlights the need for effective governance structures to maintain oversight of the reform programmes of departments and sectors.

## 5.2

### Progress Made

The Reform and Delivery Office (RDO) within the Department of Public Expenditure and Reform is leading and coordinating the delivery of the reform programme. Capacity to drive a whole-of-Government approach to reform has been strengthened by the recruitment and appointment of key roles such as a Reform Programme Director, a Chief Procurement Officer, a Chief Information Officer and specialists to lead on shared services and external service delivery. In addition, some appointments have been made in the main sectors to improve capacity in areas such as Programme and Change Management.

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Pathways to Work: Completed in January 2012, the Department of Social Protection successfully integrated staff and services from FÁS employment services, and the community welfare service of the HSE. This represented the biggest single transfer of staff and functions from the Public Service to the Civil Service, and completed the redeployment of 2,000 staff in total.

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The Defence Force underwent one of the most radical changes in its history which reduced the number of Army Brigades from 3 to 2, in a 17 week timeframe resulting in redeployment of over 400 staff for operational frontline duty; removing 118 (12% of officer posts); elimination of 225 (8%) non commissioned officer appointments; reducing the number of technical pay appointments by 320 (6%); and streamlining and rationalising logistic management support.

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Programme Management structures, processes and methodologies have been put in place in the RDO to manage, monitor and report on the implementation of reform. Dedicated Programme Management structures have also been put in place in the main sectors of Health, Education, Local Government and Justice.

A strong governance model for Public Service Reform is in place. The Cabinet Committee on Public Service Reform, chaired by the Taoiseach, meets regularly to review progress on the implementation of the Reform Plan and address strategic issues arising. The Cabinet Committee is supported by an Advisory Group of Secretaries General and a Reform Delivery Board which includes the Assistant Secretaries leading on reform in all Departments / major Offices. Project Boards have been put in place for the Major Projects under the Reform Plan.

In Departments and major Offices, a lead Assistant Secretary on reform has been assigned and Change Delivery Teams have been established. Each Department / Office has completed an Integrated Reform Delivery Plan setting out the various actions and milestones in relation to priority areas of reform. In addition, governance structures aimed at driving the implementation of reform have been established. For example:

- In the Health Sector, a Programme Management Office (PMO) has been set up in the Department of Health to oversee and coordinate the Health Reform Programme. A new governance structure in the form of the Health Service Executive Directorate was put in place following the enactment of the Health Service Executive (Governance) Act, 2013. In addition, a Systems Reform Group has been established in the Health Service Executive Directorate to oversee implementation of the projects that are directly in its area of responsibility.



- In Education, a PMO has also been established in the Department and is central to co-ordinating Education and Training reform. This work is driven and overseen by the Education and Training Reform Board. A Programme Manager and Shared Services Advisor have also been appointed.

- In the Justice and Equality sector, a dedicated Reform and Development Unit, encompassing a Programme Management Office (PMO), has been established to oversee reform projects across the Department and its Agencies.
- In Local Government, a dedicated PMO has been established to drive the Shared Services Programme in local authorities.

Alongside the focus on cross-cutting reforms from the overall Public Service Reform Plan, Departments and major Offices continue to progress the implementation of their Integrated Reform Delivery Plans (IRDPs). These set out an ambitious range of reform measures, both organisation and sector specific and cross-cutting. In mid 2013, all Departments and major Offices developed revised Integrated Reform Delivery Plans to take account of actions to implement the Haddington Road Agreement.



# Conclusion

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**overnment is committed to reforming the Public Service.**

Since the publication of the Public Service Reform Plan in November 2011, there has been real progress in reducing costs, improving efficiency and enhancing service delivery.

There has been a strengthening of capacity to drive a whole-of-Government approach to the implementation of key reforms such as procurement reform, eGovernment, shared services, external service delivery and property asset management.

A more efficient and effective Public Service is a competitive advantage and can contribute to economic growth by reducing the administrative burden on citizens and businesses. The efficiencies delivered to date will be further enhanced by the provisions of the Haddington Road Agreement, implementation of which will lead to further savings

of €1 billion by 2016. It will also lead to sustainable long-term improvements to the way in which the Public Service is organised and managed.

Considerable progress has been made in implementing the Public Service Reform Plan and in other organisational and sectoral reform programmes. The Public Service has met the challenge of maintaining services in the face of reduced staff numbers and budgets.

The foundations are in place for a very different Public Service. A

- Public Service that is more
- customer focused
  - flexible and responsive
  - more efficient and integrated

The next stage in this, the most radical programme of Public Service reform in the history of the State, is set out in the updated Public Service Reform Plan 2014-2016 which is being published alongside this document.





