

Joint Oireachtas Committee on Rural and Community Development

Opening statement by Mr Denis Leamy, Chief Executive
Officer, Pobal

Wednesday 31st January 2018



Opening Statement

Good morning. I want to thank the Chairman and members of the committee for the invitation to meet with you today to present and discuss our work in Pobal. I am joined by my colleague, Jerry Murphy, who is Deputy CEO.

Overview

Pobal, formerly known as Area Development Management, was established in 1992 by the Irish Government in agreement with the European Commission to manage an EU Grant for local development.

Pobal works to support communities and local agencies toward achieving social inclusion and development. Our activities and priorities are shaped by the context and policies laid out in several reports, including the Programme for Government, The Action Plan for Jobs, Pathways to Work, the Action Plan for Rural Development, The Framework Policy for Local and Community Development in Ireland, Putting People First and EU 2020. We are in the process of developing a new strategic plan 2018 – 2021 which will form the basis of how Pobal responds to the needs of communities and our funders over the next three years. We will ensure that our new strategy takes account of the principles contained within the National Planning Framework when it is finalised later this quarter.

Pobal's work supports the delivery of valuable services to marginalised communities in Ireland. Some of the groups supported by Government through Pobal include the long term unemployed, young people, farmers / fishermen, families, Travellers, older people and ex-prisoners. We have formed alliances nationally and internationally to advance our service delivery model, including close working relationships with the OECD and ERSI.

Our day-to-day work involves assisting on programme design, assessing grant applications proposals and plans, managing contracts, distributing funding, monitoring progress, and auditing beneficiaries. We provide good practice case studies, evaluations, and demographic information that support Government Departments in making policy decisions. We make tools such as Pobal Maps and the Pobal HP Deprivation Index freely available to allow policy makers and communities respond to needs identified by these sets of tools.

Through our work, Pobal supports collaborative approaches to planning and decision-making. We work to promote good relationships between the community sector, state agencies and other stakeholders.

In keeping with our goal to operate a balanced regional approach to service delivery, we operate from office bases in Dublin, Monaghan, Sligo, Clifden, Letterkenny, Galway city, Limerick and Kilkenny.

The Department of Rural and Community Development is our lead department and I will later discuss some of the governance and regulatory mechanisms that we operate under.

Work content and scale

In 2017, Pobal managed 23 Programmes, primarily for four Government Departments¹. The full list of programmes is detailed in your supporting information.

In managing these programmes Pobal: -

- Distributed almost €615m directly to beneficiaries (€614,974m).
- Had contracts with almost 5,000 groups (4,952).
- Channelled funding to 4,360 childcare centres which supports 162,848 children².
- Supported 24,780 people in employment and enterprise programmes in 2016 with an additional 7,960 supported into employment or self-employment through SICAP.

This activity was achieved with an average of 356 staff, 45% of which are based outside of Dublin.

Our total administration spend for 2017 was €26.4m, 4.10% of programme costs. Down from 5.68% in 2008, 4.60% in 2015 and 4.44 % in 2016.

Pobal's work has grown significantly in recent years, with the amount of funds disbursed moving from €257 million in 2011 to the current level of €615 million in 2017. Significant amounts of that growth have taken place within the Early Years sector, as support to parents and childcare providers has grown.

In preparing for today, we decided to focus in detail on those programmes which we administer on behalf of the Department of Rural and Community Development (DRCD). Members should have a separate briefing paper detailing these programmes. If members of the committee have any questions on non DRCD programmes, I and my team would be happy to furnish you with those details at a later stage.

Over the course of our 25 years, Pobal has evolved in response to government priorities. We are dedicated to supporting communities and civic society in responding to local needs. Our board and staff are committed to supporting Government in its work to make Ireland a fairer place to live for all of our communities. We are also aware of the need to ensure that our procedures are fair, not overly burdensome and are appropriate to the size of the funds being allocated. This is not easy in a world where there is a need and expectation for increased governance, oversight and financial prudence.

It is company policy to identify the minimum data requirements needed for the effective administration of a given scheme, however issues such as European level data requirements must be

¹ Dept of Rural and Community Development, Dept of Children and Youth Affairs, Dept of Employment and Social Protection, and Dept of Health/HSE.

² The Early Years figure are accurate as of 25/01/2018.

factored into this design process. Key achievements in this area over the past 12 months have included:

- Reducing the non-financial annual reporting requirements under SSNO (Scheme to Support National Organisations) by over one third in 2017.
- Significantly reducing the minimum participant information required under the SICAP 2018 – 2022 programme as of the 1st of January 2018.
- Reducing some of the contractual obligations on Seniors Alert Scheme community groups.

We recognise that there is significantly more work to do on this area and it will be an important element of our new strategic plan.

We are increasingly using more online platforms as a measure for reducing red tape while at the same time ensuring sufficient checks and balances and audit trails are in place to protect taxpayer's money.

The Seniors Alert Scheme is a good example of where a technical solution was delivered by Pobal and the DRCD to reduce administration and delays in getting personal monitored alarms fitted in vulnerable older people's homes. We can turn requests for personal monitored alarms around within a 24-hour period, or shorter in the case of emergencies.

Engagement with beneficiaries

In recent years Pobal have established a formal Feedback and Engagement process, which ensures that the voice of beneficiary organisations are factored into operational decision making. As part of this project, an independent organisation was recently commissioned to undertake a series of workshops³ to identify areas for improvement in Pobal's administration of grants on behalf of Government.

This report, currently in draft stage has highlighted a number of successes, as well as areas for development and improvement. The report finds that among beneficiaries in the social inclusion sector:

- 85% believed that Pobal provides clear guidance and information on the application process
- 76% reported that Pobal provides good customer service
- 78% reported that training events are useful and helpful

The issue of the level of information required by Pobal was identified as an area for possible improvement and as I have mentioned a number of steps have and continue to be implemented to reduce the administrative burden on beneficiary organisations.

³ This feedback process was undertaken from Sept-Nov 2017 which included an online survey, regional stakeholder focus groups and interviews with other key informants relevant to our work.

Social Inclusion

A commitment to social inclusion is at the heart of Pobal. While there have been improvements in Ireland's social and economic landscape, there are still a number of key issues requiring attention, funding and collaborative solutions.

A few key findings from our 2016 Deprivation index show that:

- Affluence is highest in the urban peripheries and gradually declines as one moves towards rural locations.
- Dublin has fared the best over the past 10 years, being less impacted by the effects of the recession, as well as disproportionately benefitting from the recent years of recovery.
- Small towns (1,000 – 5,000 people) have been the worst effected over the past ten years, being disproportionately hit by the recession and benefitting less from the recovery than the most urban and the most rural areas.

We would also attest to the need for further targeted initiatives and responses for those on the margins of our society.

Governance

Pobal operates on the basis of a Framework Agreement with the Department of Rural and Community Development, and programme-specific Service Level Agreements with individual departments. Each year a Programme of Work is agreed with each Government Department for any work that Pobal is requested to undertake.

Key features of governance structures include:

The Board of Pobal work on a voluntary basis and are appointed at the discretion of the Government of Ireland. The State Board Appointment process is utilised by the DRCD for the initial selection of interested and suitable parties to be appointed to the board. Our current chairperson, Mr. Seamus Boland's term of office is due to conclude in 2018 and I expect that a new chair designate will be before this committee later this year.

Pobal is responsible for adhering to all relevant legislative provisions, Department circulars, guidelines and public financial procedures, issued by the Irish Government. We are subject to the 2016 code of governance for non-commercial state bodies. We are audited by the Comptroller and Auditor General on an annual basis. We are registered with the Charity Regulatory Authority and are fully compliant with all of our obligations in that regard.

Pobal reports to Departments through regular governance meetings and delivery of programme reports and data. We are subject to regular audits by Departments.

Conclusion

Over time, Pobal have adapted our skill sets and competencies to respond to the changes and challenges in the Irish socio-economic landscape. We are currently in the process of developing a new strategic plan while also undertaking a leadership review of the organisation. It is hoped that both will ensure that our organisation is lean, fit for purpose and responsive to the future needs of communities and government.

The unsung heroes of the work in which we are involved are the boards, committees and volunteers that work to make their communities better places to live. A great strength of community development is that it emerges from communities. The state relies heavily on community groups to deliver services. Pobal, with 25 years of experience, supports the continued sustainability of these services in towns and villages across Ireland.

As CEO of Pobal, I am confident in the work our company delivers on a daily basis and I know that as we continue to grow and adapt to the requirements of government, we have the expertise and people needed to support communities into the future.

I would like to thank you Chairman and members of the Committee for this opportunity and both Jerry and I are happy to provide answers to any questions you may have.