



25 February 2021

Mr. Paul Ng
Clerk of the Committee on Budgetary Oversight,
Leinster House,
Kildare St.,
Dublin 2.
D02 XR20

Re: Dáil Order Consultation with Committees

Dear Mr. Ng,

Thank you for the letter of 15th January 2021 from the Chair of the Committee on Budgetary Oversight to Minister Ryan T.D. inviting the Department's response to work by the Committee on the framework for parliamentary engagement in the budgetary cycle.

The Department welcomes the opportunity to input to the Committees considerations to advance further reform already evident in the annual Spending Review process, introduction of Performance and Equality Budgeting in the Revised Estimates, and the identification of performance metrics.

The Department believes that building on the current structure, with the Committee on Budgetary Oversight engaging with the Department of Public Expenditure and Reform on the overall framework and Departments engaging with the relevant Select Committees, will facilitate enhanced engagement across the budgetary cycle and avoid unnecessary duplication.

The responses below address the specific questions raised in the Jan 15th letter:

Support and Briefing

1. What is the capacity of your Department to provide more detailed briefing, incorporating the principles of performance budgeting, to the relevant Oireachtas committee?
2. Would it be possible to provide more information with regard to outputs, outcome, targets and the rationale/demonstrable need of said targets to Oireachtas committees?

Taking questions 1 and 2 together, the Department has made good progress in the area of performance budgeting information, including on outputs, outcomes and targets. Work is ongoing to improve focus in this regard. It is in that context that such available information could be provided to assist the Select Committee's consideration of the Department's annual estimates.



Estimates

3. The interim report states that a move towards a year-round performance scrutiny calendar could be considered. This would involve Committees considering financial and performance data more regularly, potentially quarterly.

- Would you and your department feel that this would be beneficial in terms of ensuring better outcomes/efficiency arising from public expenditure?

Recent reforms to the overall budgetary framework, including those mentioned above are designed to support regular scrutiny by Committees. The Department of Public Expenditure and Reform also engages with Departments to improve information included in the Revised Estimates. This Department is alive to the benefits and disadvantages of a quarterly reporting framework and, as in our case, would caution that quarterly reporting on longer term projects may see little development within such a short timeframe. Committee schedules/timing and Ministerial availability may also be an issue if such a frequency is introduced.

- Would you and your department be happy to oblige the Committee in this regard and provide the required level of support and briefing?

The Department would be pleased to provide the Committee with additional briefing, taking into account the timing of when such briefing is required for example in the case of final outturn, this is generally not fully available until well after year end.

4. The Report also highlights that Ireland is an outlier in an international context in that the Estimates are not approved until well into the budgetary year. Were committees to consider the Estimates at an earlier point in the year, would there be any implications for your department?

The Department would welcome the Estimates being considered at an earlier point in the year but given the current structure of the financial calendar this may prove challenging. At present Revised Estimates are not finalised and published until December. This would create a tight turnaround time for briefing and consideration by Committees of the Estimates for all Government Departments and Offices by end January.

Pre-Budget Scrutiny

5. Would you and your department welcome the opportunity to engage with Oireachtas committees in advance of the budget to discuss key budget priorities?



The Department welcomes all opportunities to engage with its sectoral Committees on key budget priorities. The Mid-Year Expenditure Report provides a good basis for discussion of in-year expenditure opportunities and challenges ahead of the Budget.

6. The Interim Report proposes that a more integrated approach could be taken to pre-budget scrutiny, with sectoral Committees recommending specific budgetary measures that address specific public policy challenges. Would you and your department be happy to work with the relevant committee towards developing costed policy proposals that address these challenges?

7. From your perspective, what would be the potential constraints/drawbacks/pitfalls associated with working with the relevant committee during the budget formation process

The Department would need a little more information about this proposal and how it might work in practice to be better able to comment. How is it proposed to identify such public policy challenges, how will the broader context be considered (PfG, NDP), how are they to inform the annual estimates cycle?

I am happy and available to discuss further

Yours sincerely,

Joan Curry

Joan Curry
Finance Officer