



Meeting of: Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach.

Date: Tuesday 2nd February 2021

Opening Statement of the Minister for Public Expenditure and Reform, Michael McGrath T.D.

Dear Chairman, and members of the Committee,

I would like to thank you for the invitation to attend the meeting of the Committee today.

This is my first time appearing before the Committee and, as a former member, I am very familiar with the range of valuable work undertaken by the Committee, and it is a great privilege to appear in my capacity today as Minister for Public Expenditure and Reform.

I am also very happy to have this opportunity to address the points raised in your recent correspondence **regarding the post of Secretary General in the Department of Health.**

At the outset, I would like to emphasise that the matter in question relates to an ongoing process for recruitment to a post of strategic importance for the Government. It is important that commentary on this matter is cognisant of that fact and is not prejudicial to the outcome of that process.

As the Committee will be aware, as Minister for Public Expenditure and Reform, I have statutory responsibility for the terms and conditions of service, including remuneration, of civil servants, as set out in the Civil Service Regulation Acts.



In meeting this responsibility , I engaged with the Taoiseach, the Minister for Health and the Secretary General to the Government regarding the terms to apply for the recruitment to the post of Secretary General in the Department of Health.

In that context, I took account of a number of factors. It is no secret that the post of Secretary General in the Department of Health is a highly complex one with a very challenging brief, especially in the midst of a global pandemic. There are very significant responsibilities attached to this role including: the ongoing management of the response to the COVID public health emergency; implementing the Government's ambition to deliver on Sláintecare; and the management of the greatly increased budget of €22 billion for Health in 2021. Ultimately, it will be the responsibility of the successful candidate to fulfil the Department of Health's mission to improve the health and wellbeing of people in Ireland.

Reflecting these points, I consider that a salary of €292,000 is commensurate with the scale of the responsibilities and the unique challenges attached to this role, not least at the current time.

The decision to appoint a serving Secretary General to the Department of Health on an interim basis, pending the holding and conclusion of an open competition for the substantive vacant post, is a matter for Government. In that context, in line with a decision taken by Cabinet on 6th January, Mr Robert Watt was assigned to the role of Secretary General in the Department of Health on an interim basis. I would like to clarify for the Committee that Mr Watt had no input into my sanctioning of the salary of €292,000 to apply for the open competition for the substantive post. The newly sanctioned salary will only apply to the person appointed arising from the open competition currently underway.



Regarding the selection process, you will be aware that the position was openly advertised on 8th January 2021 by the Public Appointments Service (PAS) on behalf of Top Level Appointments Committee (TLAC). In addition to advertisement by PAS on its publicjobs.ie portal, the position has been internationally advertised online on selected relevant websites (Execjobs, The Guardian, the Health Services Journal, sponsored ad on LinkedIn) and through targeted social media. PAS also issued job alerts by email and text message to those who have registered their interest in positions at this level on the publicjobs.ie website. TLAC has also circulated it to Civil Service Departments as well as other Public Service Bodies.

The selection process to recommend prospective candidates to Government for the advertised position is being undertaken by TLAC. The Government has a policy of open recruitment and the role of TLAC, as an independent body, is to support that and ensure that the recruitment and selection process for senior Civil Service posts is accessible to the widest pool of qualified candidates.

TLAC operates under the Code of Practice issued by the Commission for Public Service Appointments in accordance with the principles of merit, consistency, accountability, probity, best practice and professional confidentiality. The Secretariat is based in my Department to support its operation while the competition is administered by PAS on behalf of TLAC.

TLAC will consider any applications received by PAS for the advertised position. The same recruitment process will apply to all candidates for the position of Secretary General for the Department of Health.



On conclusion of its processes, TLAC may recommend up to three names, in alphabetical order, to the Government, in respect of those candidates considered to be of the standard required for the post.

As requested, correspondence and documentation on this matter have been provided to the Committee. My Department will publish this material on conclusion of today's session.

Other Matters

In line with the terms of your correspondence, I would like to take this opportunity to update the Committee on a range of matters within my remit as Minister for Public Expenditure and Reform.

General Expenditure

In terms of the **general expenditure situation**, overall Gross voted expenditure for 2020 amounted to €85.3 billion.

This increase of almost €15 billion against the original 2020 expenditure allocations reflects the additional funding provided in response to COVID-19. This significant allocation of resources has continued in 2021 with as outlined in REV 2021, a Government Expenditure Ceiling of €87.8 billion for this year inclusive of a Contingency Reserve of €2 billion and a Recovery Fund of €3.4 billion.

National Development Plan

In line with Programme for Government commitments, I launched a phased, structured and in-depth review of the **National Development Plan (NDP)** in October 2020. The public consultation element of the review is open until February 19th 2021.



Brexit Adjustment Reserve

My Department is also centrally involved in the management of Ireland's drawdown from the **Brexit Adjustment Reserve**, which represents an important response by the European Union to the challenges posed by the United Kingdom's departure from the EU.

National Recovery and Resilience Plan

The EU has also put in place a Recovery and Resilience Facility with each Member State required to submit a **National Recovery and Resilience Plan (NRRP)** no later than 30 April 2020. Ireland will be entitled to draw down €853m of EU funds under the facility over the period 2021-2022 with further funding for 2023, yet to be determined. My Department will be responsible for preparing the contents of Ireland's NRRP which must strike a balance between reforms and investments.

Public Service Pay Agreement

Unions are currently in the process of balloting members on the new public service pay agreement – Building Momentum and it is expected that the outcome will be known by the end of this month.

As the Committee will appreciate, and as I have outlined, there is a wide-ranging programme of civil and public service reform ongoing within my Department.

I trust this is of assistance to the Committee, and I am happy to take any questions the Committee may have.

ENDS