



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

Date: Wednesday, 12th October 2022

Opening Statement of David Moloney, Secretary General, Department of Public Expenditure and Reform

Chairman, and members of the Committee,

I would like to thank you for the invitation to attend the meeting of the Committee today and I am happy to have this opportunity to discuss issues related to the Ministers and Secretaries Act 1924.

The role and status of Ministers in relation to Departments and their responsibility to Dáil Éireann are set out in Article 28 of the Constitution and in the Ministers and Secretaries Act 1924. The 1924 Act has two distinct functions. Firstly it provides a legal basis for the civil service, outlining the structure and organisation of central administration, while also defining ministerial responsibility. Secondly, the Act established the departments of state, their remits, and distributed the associated public activities. This Act also provides that the Government, on the recommendation of the Minister, appoint the principal officer of each Department, now known as the Secretary General.

The Minister for Finance was assigned the function of prescribing the terms and conditions of appointments for civil servants under section 2(3) of the Minister and Secretaries Act, 1924. Most recently these functions were transferred to the Minister for Public Expenditure and Reform on the formation of the Department in 2011.

Under section 17 of the Civil Service Regulation Act, 1956 (as amended), the Minister for Public Expenditure and Reform has responsibility for a range of functions such as; the regulation and control of the Civil Service; the classification, reclassification, numbers and remuneration of civil servants; the fixing of the terms and conditions and the conditions governing the promotion of civil servants.

The Public Service Management Act, 1997, or the PSMA, provides a statutory basis for the management structure of the civil service. The PSMA assigns to Secretaries General certain functions, which include managing the Department, implementing Government policies appropriate to the Department, delivering outputs as determined by the Minister of the Government having charge of the Department and providing advice to the Minister. The PSMA also obliges Secretaries General to prepare a Strategy Statement setting out the key objectives, outputs and strategies of the Department.

It is important to note that the provisions of the PSMA do not change the core policy responsibility of Ministers who remain responsible for the functions of the Department under the relevant provisions of the Constitution and the Ministers and Secretaries Act.

The PSMA also assigns responsibility for using resources so as to meet the requirements of the Comptroller and Auditor General (Amendment) Act, 1993 in relation to regularity and propriety of public expenditure as well as to economy, efficiency and effectiveness. This relates to the Accounting Officer role. The Secretary General of a Department acts as Accounting Officer, and is accountable to the Oireachtas for the use of the Department's resources. Secretaries General in their Accounting Officer capacity are answerable to the Committee of Public Accounts (the PAC), which in turn reports to the Dáil, in respect of their stewardship of public funds. The Accounting Officer system means that, while accountable as Secretary General to the Minister for managing the Department and for the other duties under the PSMA, the Accounting Officer is also answerable to the PAC for regularity, propriety and value for money.

The PSMA also provides a formal structure for assigning authority and accountability within the civil service. Officers within Departments who are assigned functions are accountable to the Secretary General. The 'Framework of Assignments' for each Department to Principal Officer level is published on an annual basis. The PSMA also gives the Secretary General responsibility for managing all matters relating to appointments, performance, discipline and dismissal of staff below the grade of Principal or its equivalent in the civil service.

Generally the management of staff is assigned to the line manager, who is responsible for making civil servants aware of the acceptable standards of attendance and conduct expected from them and for dealing with shortcomings promptly and fairly.

In relation to work performance, there are systems to support performance management. The performance of civil servants up to and including the grade of Principal is managed under the Performance Management and Development System (PMDS). There is also a separate process of performance management, the Leaderships Evaluation and Development System (LEADS) for senior grades in the Civil Service above the level of Principal Officer. Finally for Secretary General level, there is an annual performance review process in place intended to support the performance of Secretaries General. On a more general point, I would note that Secretary Generals are also employees and are covered by existing employment and other relevant legislation.

From an international perspective, even among countries with a relatively similar systems, there does not appear to be a comprehensive solution that can be applied to issues of accountability in a categorical way. I would draw the Committee's attention to the ongoing work of the OECD in this regard, building on their Recommendation on Public Service Leadership and Capability.

Overall, there are a range of complex and interlinking responsibilities associated with the role of Secretary General. They are accountable to Ministers for certain functions and to the Oireachtas for others. Overall they are appointed by and accountable to the Government. I am very interested in hearing the Committees views on all of these issues and welcome your ongoing input.