

Introductory Statement by Minister for Public Expenditure, National Development Plan Delivery, and Reform, Paschal Donohoe TD, regarding the Public Expenditure, National Development Plan Delivery, and Reform Group of Estimates for 2024

Introduction

I am pleased to be here with you today to present the 2024 Estimates for my Department's Group of Votes. I am joined today by the Minister of State with responsibility for Public Procurement and eGovernment, Ossian Smyth TD.

There are ten votes under the Public Expenditure, National Development Plan Delivery and Reform Vote Group:

- (i) Vote 11 – Public Expenditure, National Development Plan Delivery, and Reform;
- (ii) Vote 12 – Superannuation and Retired Allowances (which covers civil service pensions);
- (iii) the Votes for a number of Offices under the aegis of my Department, including the State Laboratory (Vote 14), the Public Appointments Service (Vote 17), the National Shared Services Office (Vote 18) and the Office of the Ombudsman (Vote 19);
- (iv) the Secret Service (Vote 15);
- (v) the Office of Government Procurement (Vote 39); and
- (vi) the Office of the Chief Government Information Officer (Vote 43).

Minister of State O'Donovan will present the Estimate for the Office of Public Works to the Committee following this session.

On the remaining Votes under the Group which are the subject of this meeting, Minister of State Smyth is happy to address questions relating to the Office of Government Procurement and the Office of the Chief Government Information Officer, and I will address questions regarding the other Votes.

In an overall context, the 2024 total gross Estimate for the PER Group of Votes, comprising of 9 distinct Votes, is €1.14 billion, an increase of 5.6 per cent on the 2023 allocation. The overall gross figure for 2024 is compared to €1.08 billion in 2023 (inclusive of Supplementary Estimates).

This is largely driven by:

- An increased Estimate provision to Vote 12, Superannuation and Retired Allowances;
- Targeted increases to enable the delivery of essential services; and
- additional salary costs associated with the new public service pay agreement.

To introduce the individual Votes.

Vote 11 – Public Expenditure, National Development Plan Delivery and Reform

Vote 11, the Department of Public Expenditure, National Development Plan Delivery and Reform aims to drive the delivery of better public services, living standards and infrastructure for the people of Ireland by enhancing governance, building capacity and delivering effectively.

For 2024, the gross Estimate is €59.4 million and €56.5 million in net terms.

This is an increase of €5.1 million over the 2023 allocation (after Supplementary). The additional funding requirement is primarily driven by:

- An increase in the grant to the Institute of Public Administration (IPA) to support the transfer of OneLearning and Senior Public Service training functions from the Department to the IPA and allowing for a significant expansion of OneLearning's activities across the wider public service;
- Increased grant funding to the Economic Social Research Institute (ESRI) to support their important research work; and
- An increase in the EU bodies technical assistance grant in line with the significant EU programmes now in operation, such as the Brexit Adjustment Reserve and the National Recovery and Resilience Plan, which together have a value in excess of €2 billion.

Vote 12 – Superannuation and Retired Allowances

Vote 12 primarily provides for pension and retirement lump sum costs for civil servants – including prison officers – and pension payments for dependents.

Year-to-year variation in expenditure on this Vote is primarily driven by the number of individuals who will opt to retire before reaching their compulsory retirement age, and whose years of service and grade/pay level are variable and uncertain.

The gross estimate of €869.6 million I am proposing today, represents an increase of €42 million, or 5.1 per cent, on the 2023 gross estimate (after Supplementary). This increase reflects the higher number of pensioners on the fortnightly pension payroll.

Other bodies under the aegis of the Department, such as the Public Appointments Service (PAS), the National Shared Services Office (NSSO) and the State Laboratory, provide important services to large numbers of clients across the civil and public service.

Vote 14 – State Laboratory

The State Laboratory provides a high quality, innovative and responsive chemical analysis and advisory service to Government Departments and Offices.

The 2024 Estimate will provide €14.8 million in gross funding and €13.5 million in net terms. This allocation will facilitate the State Laboratory to:

- Respond to the increased demand for post-mortem forensic toxicology testing by re-designing the service, implementing efficiencies and training new staff;
- Introduce new methods of analysis to support the introduction of the new European fiscal fuel marker; and
- Develop testing capacity for the analysis of food and feed samples to support the national risk-based control plan, to enable Ireland to comply with new EU legislation and to support the Food Vision 2030 strategy.

Vote 17 – Public Appointments Service

The Public Appointments Service is the key provider of recruitment and selection services across the civil and wider public service. The 2024 Estimate proposes funding of €23.6 million in gross terms and €23.4 million in net terms for the Vote.

This will allow PAS to continue to source the highest quality candidates for positions in the civil and public service across over 600 recruitment campaigns and to manage the attraction and assessment of candidates for appointment to State Boards in line with the agreed guidelines.

A key aim of PAS in 2024 will be to focus on attracting and retaining a diversity of people to the public service through delivering its Equality Diversity and Inclusion Strategy and supporting initiatives.

Vote 18 – National Shared Services Office

The National Shared Services Office has played an important role in the reform of public services in recent years, namely through the delivery of HR Services and Payroll Services to clients across the Civil and Public Service. The NSSO is also leading its largest transformation programme to date, the Financial Management Shared Services Programme.

The 2024 Estimate for the NSSO is €79.6 million in gross terms and €72.6 million net. This funding will enable the continued provision of HR Services, Payroll Services and Finance Shared Services.

Under the newly established Transformation Office and Business Transformation and Design Team, one of the key objectives of the NSSO in 2024 will be to deliver greater efficiency and integration of services through a number of transformation projects, including in relation to Financial Shared Services.

Vote 19 – Office of the Ombudsman

The funding provided through Vote 19, Office of the Ombudsman, provides for a number of different bodies including the:

- Office of the Ombudsman (OoO);
- Office of the Commission for Public Service Appointments (CPSA);
- Office of the Protected Disclosures Commissioner (OPDC);
- Standards in Public Office Commission (SIPO);
- Office of the Information Commissioner (OIC); and
- Office of the Commissioner for Environmental Information (OCEI).

The 2024 Estimate proposes an allocation of just under €15 million in gross terms and some €14.5 million in net terms across its programmes. This will provide an increase of 8 per cent over the 2023 allocation.

Vote 39 – Office of Government Procurement

Procurement is a key element of the Government's public service reform agenda. The State procures goods, services and works costing in the region of €18.5 billion each year. In this context, it is essential that the Public Service operates in a co-ordinated and efficient way and delivers Government's objectives, and enabling better, sustainable and more transparent public procurement.

An Estimate of €22.3 million in 2024 will allow the OGP to:

- Continue to support clients in availing of Central Solutions;
- Develop a Digital Strategy and Implementation Road Map;
- Develop and enhance the functionality of eTenders; and
- Agree an OGP specific procurement competency framework.

Vote 43 – Office of the Government Chief Information Officer

The OGCIO drives the Government's digital agenda across the Public Service. Working collaboratively, it develops and delivers pan-public service digital platforms, making Ireland an exemplar in the delivery of high quality digital Public Services. In addition, it provides a suite of common applications, services and supports to Government Departments and agencies under its Build to Share initiative and is currently in the process of engaging with prospective client public bodies that seek to on-board during 2023.

The Estimate for the OGCI0 in gross terms in 2024 is €53 million, a 16.8 per cent increase on 2023. This includes a proposed allocation of €14 million for the Digital Transformation Fund.

This Fund will allow the OGCI0 and the Public Service Transformation Team in my Department to increase the focus on delivery of citizen facing digital services under the Life Events programme. This programme will focus on assisting at scale the rollout of new digital government solutions in line with Connecting Government 2030, Better Public Services 2030 and Harnessing Digital 2030: The Digital Ireland Framework and the targets defined in the EU Digital Decade.

Conclusion

I am happy to present the 2024 Estimates for my Department's Group, approval of which will allow the individual Votes to continue to meet their responsibilities and deliver essential services.

The Minister of State and I are both happy to answer any questions that arise.

Ends