

DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ

COMMITTEE OF PUBLIC ACCOUNTS

Déardaoin, 19 Bealtaine 2022

Thursday, 19 May 2022

The Committee met at 9.30 a.m.

MEMBERS PRESENT:

Deputy Colm Burke,	Deputy Paul McAuliffe,
Deputy Jennifer Carroll MacNeill,	Deputy Imelda Munster,
Deputy Cormac Devlin,	Deputy Catherine Murphy,
Deputy Alan Dillon,	Deputy Verona Murphy.

DEPUTY BRIAN STANLEY IN THE CHAIR.

PAC

Mr. Seamus McCarthy (*An tArd Reachtaire Cuntas agus Ciste*) called and examined.

2020 Report of the Comptroller and Auditor General and Appropriation Accounts

Vote 11 - Office of Minister for Public Expenditure and Reform

Vote 12 - Superannuation and Retired Allowances

Vote 39 - Office of Government Procurement

Vote 43 - Office of Government Chief Information Officer

2020 Report on the Accounts of the Public Services of the Comptroller and Auditor General

Chapter 4 - Vote Accounting and Budget Management

Mr. David Moloney (*Secretary General, Department of Public Expenditure and Reform*) called and examined.

Chairman: I welcome everybody. Apologies have been received from Deputies Matt Carthy and Sean Sherlock who are engaged in other parliamentary duties. Please note that to limit the risk of spreading Covid-19, the service encourages all members, visitors and witnesses to continue to wear face masks when moving around the campus or when in close proximity to others, be respectful of other people's physical space and adhere to any other public health advice.

Members of the committee attending remotely must continue to do so from within the precincts of Leinster House. This is due to the constitutional requirement that to participate in public meetings, members must be physically present within the confines of the place where Parliament has chosen to sit.

The Comptroller and Auditor General, Mr. Seamus McCarthy, is a permanent witness to the committee. He is accompanied by Mr. Paul Southern, deputy director of audit, from the Office of the Comptroller and Auditor General.

This morning we engage with officials from the Department of Public Expenditure and Reform to examine the following matters: the 2020 appropriation accounts for Vote 11 - Office of

the Minister for Public Expenditure and Reform; Vote 12 - Superannuation and Retired Allowances; Vote 39 - Office of Government Procurement; and Vote 43 - Office of the Government Chief Information Officer. Also, from the Comptroller and Auditor General's 2020 Report on the Accounts of the Public Services, we will look at Chapter 4 - Vote accounting and budget management.

The Department has been advised that the committee may also wish to examine the following matters: the format and content of the appropriation accounts; public private partnerships; the Benefacts database; and the Department's role in the recruitment process for the CEO of Horse Racing Ireland.

We are joined in the committee room by the following officials from the Department: Mr. David Moloney, Secretary General, Ms Mary O'Donohue, director, Office of the Government Chief Information Officer, Mr. David Feeney, principal officer, corporate office, Mr. John Pender, principal officer, work and pensions division, and Ms Niamh Callaghan, principal officer, expenditure policy division.

As usual, I remind all those in attendance to ensure their mobile phones are on silent mode or switched off.

Before we start, I wish to explain some limitations to parliamentary privilege and the practices of the House as regards references witnesses may make to other persons in their evidence. As such witnesses are within the precincts of Leinster House, they are protected by absolute privilege in respect of the presentations they make to the committee. This means they have an absolute defence against any defamation action for anything they may say at the meeting. However, they are expected not to abuse that privilege and it is my duty as Cathaoirleach to ensure it is not abused. Therefore, if their statements are potentially defamatory in respect of an identifiable person or entity, the witnesses will be directed to discontinue their remarks and it is imperative that they comply with such direction.

Members are reminded of the provisions of Standing Order 218 that the committee shall refrain from inquiring into the merits of a policy or policies of the Government or a Minister of the Government, or the merits or objective of such policies. Members are also reminded of the long-standing parliamentary practice that they should not comment on, criticise or make charges against a person outside of the House or an official either by name or in such a way as to make him or her identifiable.

I call the Comptroller and Auditor General, Mr. Seamus McCarthy, to make his opening statement.

Mr. Seamus McCarthy: As members are aware, the Secretary General of the Department of Public Expenditure and Reform is the Accounting Office for a number of Votes, reflecting the diverse responsibility of the Department for the development and administration of a number of key cross-departmental functions in specialised and technical areas. Separate to the accountability that the Vote-holding entails, and arising from its statutory responsibility in relation to central control and oversight of public spending, the Department sets the general accounting policies for all appropriation accounts, and issues binding directions around public financial management and procedures, and the corporate governance of public bodies.

I am happy to report that I issued clear audit opinions in relation to each of the appropriation accounts for 2020 being considered this morning.

The 2020 appropriation account for Vote 11 - Office of the Minister for Public Expenditure and Reform, records gross expenditure of almost €42 million. This spending was divided between two spending programmes, which were broadly similar in scale and which comprise the core administration activity of the Department. At the end of 2020, the Department had a surplus of €4.2 million relative to its budget and this amount was surrendered.

Vote 12 - superannuation and retired allowances is used to pay pensions, primarily to retired civil servants across all Departments and offices, and to retired prison officers. Pension payments for other public servants are charged, directly or indirectly, to other Votes, including those for education, health, An Garda Síochána and Army pensions, and to the Central Fund of the Exchequer.

The gross spend on Vote 12 in 2020 amounted to €628 million. Appropriations-in-aid, mainly comprising employee pension contributions, amounted to €366 million in 2020. The receipts into the Vote were significantly ahead of the level forecast. Mainly because of this, the net outturn on the Vote for 2020 was a surplus of €113 million, which was for surrender at the year end. A similar level of surrender of surplus occurred in 2019.

The Office of Government Procurement, which is often referred to as OGP, carries out specialised functions in relation to the procurement of goods and services by public bodies in Ireland. The 2020 appropriation account for Vote 39 - Office of Government Procurement records gross expenditure of €16.5 million. The surplus for surrender at the end of 2020 amounted to €2.3 million.

Vote 43 - Office of the Government Chief Information Officer was established as a new vote in 2020, having previously been a programme within Vote 11. As a result, the appropriation account appears without comparator prior-year figures. Like the OGP, the office remains legally part of the Department. The office provides an ICT shared service to a number of Departments and offices, which includes the provision of managed desktop services, including telephone, email and productivity applications. The office also provides Government cloud and Government network services, including application hosting, and voice, video and data services across the public service. The 2020 appropriation account for Vote 43 records gross expenditure of €21.4 million.

Chapter 4 on Vote accounting and budget management is a recurrent annual report which aggregates and summarises the results of all appropriation accounts. I publish this report because there is no other source of aggregated appropriation account information.

There has been a strong upward trend in voted expenditure in recent years, with an even greater increase in 2020 as a result of additional expenditure requirements due to the Covid-19 pandemic. The total gross expenditure for all 45 Votes in 2020 was €70.1 billion. After the deduction of receipts retained in Votes totalling €2.8 billion, net voted expenditure for the year was €67.3 billion.

Chairman: I welcome Mr. Moloney and this is his first appearance as Accounting Officer. He has five minutes in which to make his opening statement.

Mr. David Moloney: I thank the Chairman. My prepared statement is probably a little longer than five minutes but I will try to keep it to that, maybe by taking some of it as read, with the Chair's permission. As the Comptroller and Auditor General said, there are four Votes under my Department, namely, those of the office of the Minister for Public Expenditure and Reform,

superannuation and retirement allowances, the OGP and the Office of the Government Chief Information Officer. I understand that the committee has expressed an interest in examining the format and content of the appropriation accounts, public private partnerships, PPP, and the Benefacts database. With the Chair's permission, I will not go through the detail of the Votes, which is set out in the opening statement I have submitted. There are some surpluses to return to the Exchequer, which relate mostly to the timing of staffing and pensions.

As the Comptroller and Auditor General noted, the Vote of the Office of the Government Chief Information Officer is new. It is an important innovation and the need to establish it emerged as a result of the build to share initiative, which was a pillar of the 2015 public service ICT strategy, and that remains central in the recently published Connecting Government 2030 - A Digital and ICT Strategy for Ireland's Public Service.

In regard to chapter 4 of the report, the Comptroller and Auditor General summarised the main amounts. The total gross amount was €70.1 billion and the net figure was €67.3 billion, after deducting realised appropriations-in-aid totalling €2.8 billion. There were a number of changes to the Estimates in 2020, relating to the Covid pandemic and the restructuring of a number of Departments. The strong position of the public finances before Covid put the Government in a position to deliver very significant supports in regard to Covid. As the impact of the crisis recedes, the summer economic statement of 2021, agreed by the Government and published last July, set out a fiscal strategy, including a medium-term expenditure strategy. This is based on growth and core expenditure each year broadly in line with the estimated trend growth of the economy, and will facilitate continued investment in our economy and society to deliver on improvements in infrastructure and public services while reducing the deficit to underpin the sustainability of the public finances. It is the role of my Department to implement a credible and sustainable public expenditure framework in tandem with reforms supporting excellence in public service delivery, strategic policymaking and public governance structures. To achieve these, my Department sets out policies and guidelines for Departments to follow. In order for effective and transparent management of public expenditure and achievement of value for money, it is important our colleagues across the public service apply these policies and guidelines in their organisations.

On the format and content of the appropriation accounts, the committee has written to the Department in respect of the manner in which a number of issues are dealt with in the appropriation account, including pay, funding received from European funds and legal costs paid by Departments, which I will now briefly address. On foot of earlier requests from the committee, we took in the 2021 accounts to revise the presentation of legal costs. This will allow for an examination of costs arising in the year of account and also allow us to disclose the total number of cases settled in that year. We will, of course, review the impact of that change, along with any views of the committee or the Comptroller and Auditor General, to see whether any further changes are needed in 2022.

The Department also took action to provide for the disclosure of Accounting Officer salary in the 2021 account and committed to examining this issue further for 2022. I acknowledge that the committee has sought further changes in this regard to provide actual levels of remuneration, rather than as set out in the circular. There is a need to have regard to potential legal issues that may arise in this instance, but the Department is happy to consider this further, with a view to the 2022 account and possibly also as an additional note to the 2021 account. We are also reviewing the points raised in respect of greater disclosure regarding pay and will engage in consultation with other Departments on this issue shortly. The Department also continues

to progress the wider reform of the accounting framework for central government in order to align our framework with the international public sector accounting standard. We are currently reviewing a set of 12 standards as a priority and will write to committee members shortly to seek their further views.

On public private partnerships, significant infrastructure projects have been developed on behalf of the State through the use of PPP procurement. Some of the advantages associated with PPPs include that they allow the public sector to avail of greater private sector expertise and innovation and that the private partner assumes responsibility for a considerable portion of the risk. The contracts tend to be long-term arrangements, typically spanning 25 years or more. The Department's role in PPPs is to maintain and develop the general policy framework within which PPPs operate. It has had no direct involvement in the procurement or delivery of individual PPP projects. Therefore, the delivery of projects through the use of PPPs is, in the first instance, a matter for the relevant Departments. As part of the review of the national development plan, NDP, the Department undertook a review of PPP policy. Broadly speaking, the review found the PPP policy framework was robust and that the current guidance was fit for purpose, with a track record of successful delivery. Hence, PPPs remain an option for public procurement where they provide the best value for money, with risk transfer forming an important element of that assessment, and we will continue to monitor the role they can play.

The year 2021 saw my Department enter its final funding arrangements with Benefacts, covering the three-month period to March 2022. This agreement was primarily to enable Benefacts to cease its operations in a timely, orderly and compliant manner. Benefacts was a pathfinder project established in 2014 amid heightened disquiet among the public concerning the charity sector, in particular. During 2020, my Department undertook an evidence-based review, which found the environment had altered substantially. In reaching its decision, my Department considered a number of factors, including the Charities Regulator's production of a register of core data sets and transparency information, the vesting of policy ownership of the Department of Rural and Community Development of the State's relationship with the not-for-profit sector, and the persistence of state aid and procurement risks associated with the continued funding of this company.

Before concluding, I would like to update the committee on some of my Department's priorities for the sustainable management of public expenditure and driving and supporting the reform programme. The progress we made in these areas in 2020 was set out in considerable detail in my Department's annual report of that year. Our report for 2021 will be published shortly and I will be happy to forward it to the committee. Looking ahead, our priorities continue to be to manage public expenditure at sustainable levels in a balanced, evidence-informed manner to support Ireland's economic, social and climate goals, alongside challenges such as the impacts of Brexit and Ukraine, and to drive reform and innovation across the civil and public service to improve service delivery to the public and enable strategic policymaking and public governance structures.

To develop and implement policy, my Department will continue to: produce multi-annual Estimates and expenditure statements that meet Government objectives and are consistent with the Government's agreed fiscal strategy; mainstream budgetary reforms and, through the Government's economic and evaluation service, drive capacity-building for evidence-informed policy in the Civil Service; enhance the governance, oversight and delivery of the new national development plan; manage public service pay and pension costs on a fiscally sustainable basis; continue to address the challenges posed by Brexit while maximising the opportunities and

benefits to Ireland of EU membership; and lead the development and implementation of Civil Service Renewal 2030, which will build an innovative Civil Service organisation and workforce that delivers evidence-informed policy and services; while the Department will continue, in its leadership role, to drive digital transformation across the public service as well as lead a procurement reform programme to enable effective, sustainable and compliant procurement across the public service.

I take this opportunity to pay tribute to my colleagues in the Department for their hard work, the contributions they have made to delivering on our objectives over the past couple of very difficult years and their role in response to the Covid-19 pandemic in particular. I thank the Chairman and committee members for their attention. I look forward to our discussion.

Chairman: I thank Mr. Moloney.

Deputy Jennifer Carroll MacNeill: I thank Mr. Moloney and welcome him to the meeting. I was interested in what he said about Benefacts and how a decision had been taken over time whereby the establishment of the Charities Regulator and the openness that engendered meant the Department was satisfied it no longer needed Benefacts and did not regard it as a solution. Openness was created in the sector that may not have existed previously.

Mr. David Moloney: The development of the Charities Regulator addressed many of the issues that caused public concern in regard to the not-for-profit sector, particularly in the case of charities, when Benefacts was established in 2014. The key issue for this Department in terms of Benefacts was that we established it as a pathfinder pilot project. We conducted an evaluation, at first in 2017, that found it continued to provide value for money at that point. In 2020, however, a further review suggested there had been a lot of changes in the overall context-----

Deputy Jennifer Carroll MacNeill: That is what I am interested in. The changes in the overall context that Mr. Moloney mentioned earlier included those relating to transparency, openness and so on.

Mr. David Moloney: The key changes were the development of the Charities Regulator, its roles and responsibilities regarding the charities sector, and the development of the Department of Rural and Community Development and its responsibilities regarding the not-for-profit sector.

Deputy Jennifer Carroll MacNeill: Public confidence in the charity sector, which perhaps had not been as strong prior to all those changes including the establishment of Benefacts, had been resolved through those various changes and through so much having changed in the sector.

Mr. David Moloney: Particularly in respect of Benefacts, the data shortages, the lack of transparency in that regard and the lack of any market for data had been largely compensated for by the development of data by the Charities Regulator and the-----

Deputy Jennifer Carroll MacNeill: Data and transparency.

Mr. David Moloney: Yes.

Deputy Jennifer Carroll MacNeill: I could not agree more. Data and transparency are very important. With that in mind, when we speak about the Department's role in developing data and transparency, the 2016 code of practice for the governance of State bodies played a key role. Would Mr. Moloney agree?

Mr. David Moloney: The code of practice does play a key role in advising State bodies as to the kind of data they should publish -----

Deputy Jennifer Carroll MacNeill: Such as CEO salaries?

Mr. David Moloney: Salary ranges within public bodies are published as part of that under the code. Yes, that is correct.

Deputy Jennifer Carroll MacNeill: My question then is why are we still having a conversation about salaries for Accounting Officers and where the difficulty appears to lie with that.

Mr. David Moloney: We have been able, following communications from this committee, to publish some Accounting Officer data in relation to the 2021 appropriation account.

Deputy Jennifer Carroll MacNeill: How many has the Department published?

Mr. David Moloney: As far as I know, each appropriation account for 2021 includes the salary scale of the Secretary General.

Deputy Jennifer Carroll MacNeill: The scale.

Mr. David Moloney: Yes. It is a single-point scale, so yes. We only have one issue around the publishing of more granular information than that. I think the committee has come back to us looking to publish the actual salary that individuals are on. That may not be a difficulty but we just have to be sure around the legal responsibilities we have in respect of data protection. As the salary scale is on a certain point if, for example, a person is sick for more than six months in a year the salary he or she receives might be less. If people work a four-day week rather than a five-day week, the salary they receive will be less.

Deputy Jennifer Carroll MacNeill: I am sorry to cut across Mr. Moloney but we have such a short time. How would that compare with a CEO of a commercial semi-state body? Are they under the same requirements then in terms of a scale or data protection concerns around the value? When I look them up in the media, and I appreciate this may not be the same thing, I can see dollar figures. Maybe they are not accurate. What are the rules and will they be applied equally?

Mr. David Moloney: One thing we will do on foot of the committee's request is to look at the detailed requirements under the code of practice. The one distinction I would make between the code of practice and the circular setting out what needs to be put in the appropriation account is that one has the force of law and one is a comply-or-explain framework. We are not requiring anyone to publish a particular figure under the code of practice. We are setting out guidelines where we feel that should be and the legal assessment of the costs and benefits of that and the legal assessment of the information that a particular public body can publish, given the public interest versus the individual right to privacy. That is an assessment that each public body makes under the comply-or-explain nature of the code of practice, whereas we set out in a circular requirements to publish particular pieces of information. Then that is a requirement and in that case, we make the assessment of the public interest versus the rights under data protection and other legislation-----

Deputy Jennifer Carroll MacNeill: "We" being the Department of Public Expenditure and Reform not "we" being each individual Accounting Officer.

Mr. David Moloney: Once we put it into the circular it is a requirement for the Accounting

Officer so “we” being the Department of Public Expenditure and Reform. We would make that assessment.

Deputy Jennifer Carroll MacNeill: On the gender pay gap information Act, I am looking at note 5 of the accounts. It is so basic. I was looking at the accounts of the Peter McVerry Trust, for example. It gives much more detail about the profile of the organisation and gender or the organisation. I am curious about how and when we will get to a point where we can see a better profile of the organisation in terms of seniority and distribution of salaries throughout the organisation and in particular in respect of gender and how that is working. When will we see that?

Mr. David Moloney: It is one of the issues about the appropriation account that the committee has raised with me. The Department is looking at that issue and is committed to examining it in relation to the 2022 accounts.

Deputy Jennifer Carroll MacNeill: I see that in the note. We wrote in November 2021 on that. I see in Mr. Moloney’s note that he will revert to the committee later in 2022. It is May 2022 now. This scheduled sitting would have been a good opportunity. We would have hoped to see it today or in advance of today to discuss how it would be applied. When will we see it?

Mr. David Moloney: We will endeavour to get it back to the committee as soon as possible on it. We are certainly committed to examining those issues. We publish information in relation to gender breakdown in response to parliamentary questions and other things. We have that information and can provide it at any stage to the committee. The issue about the format and what way it will be included in the formal appropriation account is the issue we are examining. But we will come back to the committee on that.

Deputy Jennifer Carroll MacNeill: Does Mr. Moloney know when? This is not directly with Mr. Moloney. It is a frustration we have in many instances. For instance, the Irish Prison Service was here some weeks ago. Deputy Catherine Murphy and I asked about a report, which was then published two or three hours later. That is deeply frustrating because it was clearly available to be published. I am not suggesting that is the same with the Department of Public Expenditure and Reform but we often get answers such as “shortly”, which I heard in Mr. Moloney’s opening statement or “as soon as possible”. There is a scheduled date for meetings with the Committee of Public Accounts. It is several months since we wrote seeking the information. Could we agree that it would be before July, for example, that is, before the House rises for the summer?

Mr. David Moloney: We could certainly come back to the committee with at least an initial response before July if that would be helpful to the committee.

Deputy Jennifer Carroll MacNeill: Turning to the single public service pension, we were going over the figures over the last number of years. It appears to be consistently underestimated every year. I find that interesting and a bit worrying. For example, in 2020 the estimate was €180 million but the figure realised was €279.27 million. Before that the estimate was €160 million and €252 million was realised. What is the basis for the estimation of the single public service pension scheme? How is so underestimated every year?

Mr. David Moloney: My colleague Mr. Pender is the actuary and can fill the Deputy in on any detail she would like. In general terms, the key challenge around estimating the superannuation Vote is that a civil servant can decide to retire and do so in two weeks’ time and therefore

become eligible for a lump sum based on their service. That triggers quite significant amounts in terms of values.

Deputy Jennifer Carroll MacNeill: To be paid out of the single -----

Mr. David Moloney: To be paid out in that year, yes. The key change last year was the number of people who retired was less than had been anticipated.

Deputy Jennifer Carroll MacNeill: Is this is to be paid out of the single public service fund?

Mr. David Moloney: This is to be paid out of the superannuation Vote. The superannuation Vote both pays your ongoing pension and pays the lump sum that you receive as a retired civil servant at the start.

Deputy Jennifer Carroll MacNeill: I am curious about is the trend. I appreciate that things can happen unexpectedly. I am sure you will also anticipate that a specified number of unexpected events will happen each year. However it is underestimated every year. Every year it is wrong. For example, in the 2021 Estimate, how did the Department set the estimate for the single public pension scheme at €240 million when what was realised that year was €279 million?

Mr. John Pender: Would the Deputy like me to answer that?

Deputy Jennifer Carroll MacNeill: Yes.

Mr. John Pender: We set the estimate in August of the prior year. The budget is in October, so we use the August data.

Deputy Jennifer Carroll MacNeill: Sorry. In October 2022 the Department sets it in August 2021.

Mr. John Pender: Yes, for the following year because we have the budget coming up. With the data available to us, we only have seven months of the current year. For the 2020 estimate, for instance, we would not have the full 2019 data at that point. We would only have the first eight months. We base the estimate on what we have seen in the year to date. The single scheme membership is growing at a very fast rate. In 2013, for example, we had about 13,000 members in the scheme. As at the end of 2021, we have 190,000 in the scheme. All the recruitment for the public service has been channelled into this scheme.

Deputy Jennifer Carroll MacNeill: But the Department has some visibility on that, does it not?

Mr. John Pender: We do not really. We only have control in the Department of recruitment in the Civil Service, I suppose. For example, as health and education account for many of the new entrants into the public service, we only get those data as and when we see them in terms of the contribution data.

Deputy Jennifer Carroll MacNeill: Sorry. The Department does not have visibility over how many people it thinks it will bring into the public service over the next year or two years? Surely budgets have been provided for the hiring of those people and it is anticipated.

Mr. John Pender: No, I am sorry, that is a misinterpretation. Maybe I am not being clear

so I apologise. What I mean in terms of contribution data is that you base your estimate for the following year based on data until August of that year. You take on extra people and that creates extra contribution income, which then feeds into the Vote.

Deputy Jennifer Carroll MacNeill: I understand. I understand how it works I just do not understand why the Department does not have foresight of those things.

Mr. John Pender: We do make an assessment of the increase -----

Deputy Jennifer Carroll MacNeill: Each year it is wrong.

Mr. John Pender: Yes, each year it will be wrong -----

Deputy Jennifer Carroll MacNeill: Badly wrong.

Mr. John Pender: When you have a young scheme it will be wrong in the initial years because it is very difficult to estimate. I absolutely take the challenge. It is very difficult to estimate and I do see that we are miscalculating it and we will.

Deputy Jennifer Carroll MacNeill: It is getting wronger, if I may use that word, by a bigger proportion. It was wrong by 23% in 2018, by 58% in 2019 and by 55% in 2020. I can provide the previous figures but I only have three minutes left, so, if Mr. Moloney does not mind, I will move on and come back to it.

I refer to procurement. The committee has spent a long time dealing with issues relating to the children's hospital. What role will the OGP play in the new national maternity hospital? What lessons have been learned from the children's hospital experience that can be applied to the national maternity hospital build?

Mr. David Moloney: As the Deputy is aware, the national children's hospital and the national maternity hospital are, in the first instance, matters for the Minister for Health and the Department of Health. We have an oversight role in that regard. I do not anticipate that the OGP will have a role in respect of the national maternity hospital. It did not have a role in respect of the children's hospital, other than the chief executive officer being asked on a personal basis to be a member of the national paediatric hospital development board. The OGP as an organisation, however, did not have a specific role in that regard.

Deputy Jennifer Carroll MacNeill: Should it have such a role?

Mr. David Moloney: The governance of large capital projects under the Department of Health is a matter for that Department. The OGP sets out procurement standards and frameworks that are to be followed by Departments. Both the children's hospital and the maternity hospital will be bespoke projects.

Deputy Jennifer Carroll MacNeill: Is the OGP satisfied with the experience in the context of the children's hospital, for example? Has best practice been followed? Are there things the OGP can influence now that there is a brand new project? Can it influence a better outcome and process than the Committee of Public Accounts has experienced with the children's hospital?

Mr. David Moloney: Certainly. In terms of learnings from the children's hospital and a better experience, the key changes we have made have been to the public spending code, which is a matter for the core Department rather than for the procurement division. We have introduced several ways of strengthening the public spending code, as well as a major projects advisory

group. We hope that the strengthening of the public spending code we have introduced will support the management of projects, including large bespoke projects, into the future.

Deputy Verona Murphy: I congratulate Mr. Moloney on his appointment. I often say it is a poisoned chalice, depending on the way in which one is coming in here. One could say the Committee of Public Accounts and the Department of Public Expenditure and Reform are on the same side. We should be working closely together. The committee makes recommendations based on the information given to us by the Department. It is all about working towards the public purse and how we can save money. That is why, particularly when the committee requires information, I do not see any reason for obfuscation in that regard. The committee and the Department should be in line with one another.

To continue on from the questions asked by Deputy Carroll MacNeill, the construction material price inflation on public works projects was reviewed recently. The Minister for Public Expenditure and Reform recently announced the inflation co-operation framework, which will pay up to 70% of the builder's inflation-related construction costs. What impact will that have on the national children's hospital from a cost perspective? What is the estimate of our guests in that regard?

Mr. David Moloney: It will not have any impact on the national children's hospital because that contract already includes provision for inflation above 4%. Although the framework applies to a wide variety of projects, the national children's hospital is a bespoke programme that already includes a provision for inflation.

Deputy Verona Murphy: That is good to hear, although I am not optimistic about the final cost outcome of the national children's hospital.

A question was asked in respect of Vote 11 in the context of pensions and wages. The account states, "This account includes expenditure ... in respect of four officers ... who were serving outside the Department." On what basis were those officers serving outside the Department? Were they on secondment?

Mr. David Moloney: Yes, I believe so.

Deputy Verona Murphy: Where?

Mr. David Moloney: We second people to international institutions, for example, such as the permanent representation in Brussels and the Council of Europe. I believe those are two of the secondments in the 2020 accounts.

Deputy Verona Murphy: The accounts state that there are four. It is at paragraph 5.4 on page 21 of Vote 11. It refers to four officers. I ask Mr. Moloney to let the committee know-----

Mr. David Moloney: I have the information here. One of the persons was seconded to the Irish permanent representative to the EU, another was a public policy attaché to the OECD, another was seconded to the Chief State Solicitor's Office under a legal apprenticeship scheme, while the final officer was seconded to the national experts and professional training programme, which is a European Commission training programme. Those are the four secondments.

Deputy Verona Murphy: How does that work? Could there be more secondments, for instance?

Mr. David Moloney: Yes, there could be more. Secondments are a regular feature of what

we do. We often second people to institutions to broaden their experience, gain knowledge of the institutions in which they work and to broaden and deepen our connections with the OECD and the EU in particular.

Deputy Verona Murphy: For what period do the secondments run? Is it for 12 months, two years or another period?

Mr. David Moloney: It varies significantly. There are 17 staff seconded to my Department from the civil or public service and there are 19 staff of my Department seconded out. Secondment is a common arrangement.

Deputy Verona Murphy: There are 17 people seconded to his Department and 19 have gone out.

Mr. David Moloney: A total of 17 have come in and 19 have gone out.

Deputy Verona Murphy: Okay. I ask Mr. Moloney to furnish a note on how that works from a public purse perspective and how much it is costing. Is there a *quid pro quo*? Is the Department paying the 17 staff who have come into it?

Mr. David Moloney: The arrangements can be bespoke.

Deputy Verona Murphy: In that case, I ask Mr. Moloney to provide a note to the committee. We do not have much time.

Mr. David Moloney: I am happy to provide a note.

Deputy Verona Murphy: I thank Mr. Moloney. On Vote 39, has there been an assessment of the level of staff turnover in the OGP?

Mr. David Moloney: It is a matter that we keep an eye on. One of the things about the OGP as a division of the Department is that because it is involved in sourcing and procurement, it is quite market-facing and, therefore, there is a-----

Deputy Verona Murphy: Staff are being poached by the private sector.

Mr. David Moloney: There are more market-based opportunities for staff. For all that, however, whereas the OGP in previous years had difficulty reaching the staffing levels for which it was aiming, those difficulties have been overcome and it is very close to its approved staffing ceiling now.

Deputy Verona Murphy: Many of the staff are gamekeepers becoming poachers.

Mr. David Moloney: It is a necessity that we have market-based experience in terms of what they do and sourcing-----

Deputy Verona Murphy: To the benefit of the private sector, however.

Further on Vote 39, what oversight did the OGP have in respect of procurement of personal protective equipment, PPE, by the HSE, for instance? Has there been a review since then?

Mr. David Moloney: I am not aware that there has been a review since but one of the things the OGP did was to offer advice and assistance to the HSE and other organisations in respect of responding to the Covid pandemic.

Deputy Verona Murphy: Mr. Moloney is aware there was an issue relating to the purchase of ventilators and that there was a spend of €80 million. There was no procurement process carried out; is that not correct?

Mr. David Moloney: I am not familiar with the detail. I am aware there were various procurements associated with the Covid pandemic-----

Deputy Verona Murphy: I would be very concerned if there was no additional inspection in respect of the procurement. I know we talk about Covid-19 and the emergency situation but that purchase in particular was outrageous from start to finish. I would like to see some form of investigation into it. The Chairman can correct me if I am wrong. It may be that the HSE has to carry it out. In the context of procurement by State agencies, does Mr. Moloney believe the OGP is making a difference?

Mr. David Moloney: The OGP has made a significant difference. I refer to the various decision-makers in procurement previously and the lack of professionalisation in public procurement that existed before the OGP. The estimates of the savings from the OGP run into hundreds of millions of euro.

Deputy Verona Murphy: Has a value-for-money review been carried out on the OGP? I know it is a relatively new initiative but has there been a review in respect of value for money?

Mr. David Moloney: We do not have an organisation capability review or something like that. We have estimates of the savings achieved through the work of the OGP.

Deputy Verona Murphy: The reason I am asking is specifically with regard to the €80 million spent on ventilators that we never got to use. We did not get the money for those ventilators back and we subsequently donated them to India and other countries. There is no value for money there from the perspective of the public purse. What savings does Mr. Moloney estimate have been made since the establishment of the OGP?

Mr. David Moloney: We have estimates of savings of up to €500 million since the establishment of the OGP based-----

Deputy Verona Murphy: Yes, but when one sees a Department spending €80 million with nothing to show for it, that is not great.

Mr. David Moloney: The OGP is there to put in place the procurement frameworks, to aggregate procurement spending and to get best value for money in terms of individual decisions. It is not responsible for-----

Deputy Verona Murphy: Yet it has not looked into that issue.

Mr. David Moloney: It is not responsible for individual procurements. That is a matter for the relevant Accounting Officer to account for.

Deputy Verona Murphy: I can understand that. Ultimately, there does not appear to be any accountability in that regard.

Mr. Seamus McCarthy: I have indicated previously that I am examining the procurement of ventilators. I expect there will be a report relating to that matter, so there will be further accountability on it.

Deputy Verona Murphy: I thank Mr. McCarthy. After the representatives from the HSE appearing before the committee and one thing and another, we were pursuing that avenue. However, Mr. Moloney can understand my point in that regard from a value-for-money perspective.

Mr. David Moloney: I understand the point the Deputy is making.

Deputy Verona Murphy: If there is a review, would it be possible to supply that report to the committee? That would be great.

I refer to remuneration. Is it not correct that the Department of Public Expenditure and Reform is responsible for setting the remuneration of senior civil and public servants?

Mr. David Moloney: Yes, it is.

Deputy Verona Murphy: I have one question. How did the Department arrive at the decision to sanction a salary, plus a company car and the option of three standard pension options for the chief executive of Horse Racing Ireland, HRI?

Mr. David Moloney: The Department is responsible for the remuneration of civil servants rather than public servants. With regard to public servants, and the chief executive of HRI is one, the procedure is that the HRI makes a proposal to the Department of Agriculture, Food and the Marine. That Department makes a recommendation to seek the Minister's consent-----

Deputy Verona Murphy: So the Department of Public Expenditure and Reform did not-----

Mr. David Moloney: No, the Minister for Public Expenditure and Reform seeks consent based on a recommendation from the Minister for Agriculture, Food and the Marine. The process for the HRI was that a proposal came in to the Department of Agriculture, Food and the Marine. That proposal was sent to NewERA under the NewERA legislation for its assessment. The recommendation from the Department was sent to the Minister, who consented to it.

Deputy Verona Murphy: I thank Mr. Moloney, but who established the €191,000 salary? How was that established and by whom?

Mr. David Moloney: My understanding is that the initial proposal would have come from HRI in the form of a three-point scale-----

Deputy Verona Murphy: Is that not funny?

Mr. David Moloney: -----which would have been unusual in a commercial semi-State.

Deputy Verona Murphy: What did Mr. Moloney say there?

Mr. David Moloney: A three-point scale for a CEO would be unusual. It is usually a single-point scale.

Deputy Verona Murphy: Could we have a full breakdown of how that occurred? What was the level of salary for the CEO of HRI prior to this appointment?

Mr. David Moloney: The level of salary of the previous CEO was €190,000 or so, the same salary.

Deputy Verona Murphy: Is that correct, Mr. McCarthy?

Mr. David Moloney: There is a subtlety.

Mr. Seamus McCarthy: The actual salary, because he was holding the salary level, was at €191,000, but the approved salary level was lower at €160,000 for a new CEO.

Deputy Verona Murphy: Yes, as I recall it. However, there was no company car, and I am assuming there was no option on pensions. A note on that to the committee would be fine.

Chairman: To clarify that, the Deputy asked Mr. Moloney about how that was approved. He said it came from HRI. Did the Department of Agriculture, Food and the Marine recommend to him €191,000 plus the option of either of the three pensions and a company car?

Mr. David Moloney: The recommendation-----

Chairman: The question the Deputy is asking is about the chain of decision-making regarding that. Mr. Moloney has clarified that HRI proposed it. Was the next step that the Department of Agriculture, Food and the Marine said it was okay and sent it to the Department of Public Expenditure and Reform for approval? In fairness to the Deputy, that is what she is trying to get to the bottom of here.

Mr. David Moloney: From our point of view, the process is that the Department of Agriculture, Food and the Marine makes the recommendation seeking the Minister's consent.

Chairman: The Department made the recommendation to Mr. Moloney's Department.

Mr. David Moloney: Yes.

Chairman: Okay. HRI recommended-----

Mr. David Moloney: My understanding is that the Department would have received a business case from HRI.

Chairman: HRI put the figure on it and sent it to the Department of Agriculture, Food and the Marine. The Department said that it sounded correct.

Mr. David Moloney: Having consulted with NewERA.

Chairman: Okay, and then the Department of Public Expenditure and Reform signed off on it.

Mr. David Moloney: That is the process.

Chairman: It was just to clarify that.

Deputy Verona Murphy: I appreciate that.

Chairman: On the ventilators, officials from the Department of Health will be before the committee next week.

Deputy Verona Murphy: Yes. I thank the Chairman.

Chairman: I call Deputy Dillon.

Deputy Alan Dillon: I welcome our guests. I will start by asking them to provide an update on the implementation of the roadmap in respect of the international public sector accounting standards, IPSAS, and also regarding the financial management shared services system. Previously, this committee made recommendations regarding the OECD recommendations on accounting practices and principles. Can the witnesses provide an update on how that roadmap is being implemented?

Mr. David Moloney: The Department is continuing the implementation of the IPSAS-based accounting standards. As requested by the committee, we provided a timetable in a letter dated 2 November 2021. That timetable is still on track. Obviously, it is a long-term project. The next phase is a focus on 12 particular accounting standards and making progress on them. With regard to the financial management shared services, FMSS, project, that project has now gone live in respect of the first wave of clients, which includes my Department. That is proceeding.

Deputy Alan Dillon: Can Mr. Moloney provide an update? Have any Departments implemented pilot systems in this area and can he provide an indication of when these pilots will commence or what Departments have been selected initially?

Mr. David Moloney: With regard to the FMSS, there are a number of Departments involved. There is my Department, the Department of Finance, the Exchequer account, the Office of the President, I think, the Department of the Taoiseach and the Ombudsman. Those are the first wave of Departments for the financial management shared services system. I think it went live three weeks ago so it is quite recent. They are working through the implementation of that and a report will be done on how that implementation goes. Obviously, with any new system there are issues to be ironed out. The next decision will be to see whether a second wave, which will involve a number of larger Departments, will proceed.

Deputy Alan Dillon: I note that Mr. Moloney has not mentioned the Department of Health. A recent report from the Irish Fiscal Advisory Council, IFAC, namely, The path for Ireland's health budget, stated that the rise in public health spending over the past half century has been dramatic and that now we rank as the highest spender on health internationally. Perhaps Mr. Moloney can provide us with the Department's understanding. Has he read that report from IFAC?

Mr. David Moloney: I am not familiar with it.

Deputy Alan Dillon: With regard to the committee's dealings with the Department of Health and the sizeable overruns that have occurred in the past number of years, how is the Department of Public Expenditure and Reform managing overruns in the Department of Health or what discussions is it having with the Accounting Officer in that Department? There appears to be no improvement year on year.

Mr. David Moloney: The Dáil passes Estimates and it is a matter for the Accounting Officer to spend within those Estimates. We have teams of people in the Department that monitor and oversee the expenditure of Departments in line with those, so we have regular engagement with the Department of Health at various different levels to monitor trends against profile, to look at where pressures-----

Deputy Alan Dillon: In terms of the monitoring, what level of detail does the Department get into? Ultimately, the Department of Public Expenditure and Reform approves the budgets. I am trying to get an understanding of why this is a common occurrence year on year.

Mr. David Moloney: Obviously, the Dáil approves the allocation to the Department of Health. We monitor against that allocation to quite a considerable level of detail, obviously, limited by the data available to us. In recent years there have been challenges due to Covid-19. There have been considerable shifts in terms of priorities and spend at the Department of Health. Prior to that, we would have argued for stronger financial management and a stronger financial management system within the HSE. There have been, in the past, considerable challenges. Part of that is also related to the nature of the health services themselves, many parts of which are demand led. For us it is about financial management and reporting. It is about fiscal discipline and management within the HSE, accepting the challenges of some of the parts of the business being demand led.

Deputy Alan Dillon: While understanding the challenges, what reform is the Department of Public Expenditure and Reform leading to manage these budgets more effectively and efficiently? We get Revised Estimates yearly, but urgent reform is needed in this area. We are spending over €21 billion in a health budget. When we look at the reports of the Comptroller and Auditor General on procurement and value for money, there are certainly questions to be answered.

Mr. David Moloney: Primarily, it is a matter for the Department of Health to manage within the budgets which the Dáil allows. We have strengthened our oversight in recent years. We have established a health budget oversight group where we sit down with the Department of Health and HSE on a monthly or more frequent basis. We have established a process of reporting quarterly to Government on health spend. We have quite intense engagement over the course of the year with the Department of Health in relation to expenditure trends and where the money is going and in relation to the fiscal discipline that is there.

Deputy Alan Dillon: New reforms such as Sláintecare will result in permanent increases in health expenditure. To ensure management of these reforms, what additional resources is the Department of Public Expenditure and Reform putting in to ensure that there will be additional expenditure? How will that be managed in the future? An enormous amount of planning is involved to deliver on this policy. I wish to get an understanding of the measures the Department of Public Expenditure and Reform will start to focus on.

Mr. David Moloney: Obviously, there are financial consequences with the evolution of health policy. I think those were discussed and considered as Sláintecare itself was being discussed. I think at that stage it was anticipated that there would be a significant increase in expenditure. In recent years we have seen a significant increase in expenditure. The management of that expenditure is primarily a matter for the Department of Health. From our point of view, we have internal procedures to strengthen the oversight through the health budget oversight committee, through the resourcing of what we call the health Vote team in the Department, the team that is responsible for the oversight of health expenditure and we continue to do that.

Deputy Alan Dillon: How concerned is Mr. Moloney that no financial management system is in place and that it is three to five years away from its deployment?

Mr. David Moloney: Over the past five or six years, we have been involved with the HSE in terms of the project to establish a financial management system. We have been involved in that steering group. We have sought to support it at every stage and we would be anxious to see progress. Initially that financial management system was supposed to land in around 2021 or 2022. I guess that probably has been put back by Covid, but we would expect to see significant progress on it.

Deputy Alan Dillon: Mr. Moloney mentioned many other Departments where deployment has already started. When will we see health being a priority?

Mr. David Moloney: In terms of the financial management-----

Deputy Alan Dillon: Yes.

Mr. David Moloney: -----shared services system, I do not have that to hand. I am not sure what wave health is in, but I can find that information and let the Deputy have it.

Deputy Alan Dillon: That would be great.

My next line of questioning relates to the Office of the Government Chief Information Officer. What parameters were considered when deciding to establish that Vote?

Mr. David Moloney: The key is the importance of data and digitalisation in driving forward public services into the future, in particular the Office of the Government Chief Information Officer, OGCI. It has a build-to-share service that is increasingly being supplied to Departments throughout Government. The resources that that attracts are not just from the Department's own Vote but from other Votes. We felt it would be more efficient and more transparent to pull those resources into a single Vote to demonstrate the impact and breadth that the OGCI was having and to rationalise expenditure throughout the Civil Service ICT. My colleague Mary O'Donohue is from the OGCI and can explain further what the Vote entails and what activities are there.

Ms Mary O'Donohue: The growth in demand for build-to-share services, where we provide a range of common-suite services to Departments to help lift the load in terms of delivery of technology and digital services, has increased the overall level of spend. So as not to disproportionately influence the overall Vote in the Department of Public Expenditure and Reform, it was decided in the Department that establishing a separate Vote for OGCI, as the Secretary General said, allows for transparency and it is obvious to see how we grow and how we grow those services. We currently offer the standard suite of corporate desktop services as any organisation would use to 18 organisations covering over 5,000 users across the Civil Service and public service. That will grow by another six organisations by the end of 2023 and so we will support about 10,000 users directly. We do Government networks, a nationwide service to all public service bodies. We have applications services. We build something once and use it many times so that it maximises the investment of the State in services like that. In recognising that growth, it was to separate it out from-----

Deputy Alan Dillon: Does the OGCI contract many operations?

Chairman: We are well over time. I will allow the Deputy back in again later on. Is that okay?

Deputy Alan Dillon: I just have one final question.

Chairman: Very briefly.

Deputy Alan Dillon: Does the OGCI contract out many of its core functions to do that?

Ms Mary O'Donohue: We blend. We bring people in to work alongside of us. We have a blend of internal staff and external people whom we work with. We obviously work with external providers, telecommunications providers etc. Like any organisation, it is a mix of the

services that are done.

Deputy Paul McAuliffe: I appreciate the officials appearing here today. I hope to cover three areas. The issue of the accountability of public representatives has been there for some time, particularly in respect of our pay. Increasingly the public is demanding that same level of accountability particularly for senior civil and public servants. There has been some correspondence between us and the Department committee regarding the remuneration packages for Secretaries General. This may have been covered in the opening questioning from Deputy Carroll MacNeill. Some politicians in this House have suggested that they take a reduction and that has turned out not to be true. Having accountability in respect of people who suggest they are taking a reduction in their salary is actually quite important because they are clearly trying to court positive public opinion in suggesting they might take a reduction, but we need to know that the reduction has actually taken place.

That goes to the heart of our request for the remuneration packages for particular public servants. It is not that anybody has a navel-gazing obsession with people's salaries. It is about the accountability of ensuring something is done if was said was it done. I am not clear whether Mr. Moloney's predecessor took the reduction in his new role that was suggested. I may be wrong in the information provided, but my understanding in respect of that appointment is that we have a salary range but it is not clear what the exact salary details are. I ask Mr. Moloney to talk to us about that. If somebody says there was a reduction there should be an accountability structure for that.

Mr. David Moloney: We have tried to respond to the concerns raised by the committee in terms of the transparency of Secretary General pay by amending the notes to the appropriation accounts. We will look at it further for next year and see whether we can do anything more this year on it. The constraint we are under in relation to the publication of salary is not really about the salary for the job but personal information that could be contained therein. Typically, Secretaries General are on a single point scale. They may or may not have personal pension contributions depending on whether they began before or after 1995. There is no real difficulty in setting out the gross salary of any Secretary General or any civil servant.

Deputy Paul McAuliffe: Would that information provide clarification on whether a reduction was made?

Mr. David Moloney: It would not. This comes to the point of the difference between gross and net pay and the decision to gift money back under the relevant taxes Act. This is the procedure used by officeholders if gifting money back or accepting a lesser rate of payment. It is a tax matter for the individual. There would seem to us to be significant issues.

Deputy Paul McAuliffe: There is a similar structure for Members of the Houses and it is not possible to get information because it involves individual salary details. I want to broaden this beyond one individual. A person is essentially using public money to court public opinion and there is no accountability as to whether that public money was or was not used. It is a significant issue. Politicians and public servants should have nothing to do with their salary one way or the other, up or down. The idea of public representatives or civil servants gifting back money with no accountability as to whether it happens is clearly an issue of accountability and appropriate conduct in these roles. Does Mr. Moloney see the point I am making?

Mr. David Moloney: I understand the point the Deputy is making. As we see it, the difficulty for us is that it involves a very specific provision of the tax legislation. There are also

rules and legislation on identifying the tax affairs of individuals. We have not yet fully fleshed it out in terms of seeking legal advice and detail on it. The overall picture really is clear enough with regard to the Taxes Consolidation Act.

Deputy Paul McAuliffe: I strongly feel that if people state they are gifting an amount of money to the State, the State should be able to state whether it received that money. I imagine this would be the case for any individual, whether an employee of ours or not. If people publicly state they are gifting money to the State, the State should be in a position to confirm whether it received the money. This is a direct question. I am aghast that we cannot confirm whether the State received money that people purport to have gifted it.

Mr. David Moloney: It is because the gifting is a tax matter and the legislative provisions on the confidentiality of tax matters are quite strong.

Deputy Paul McAuliffe: I do not believe it. I am making it broader than the individual. I refer to Members of the Houses who often purport to do the same. We cannot have a situation where public servants purport to gift money to the State with no public accountability structure for it. They are not individuals who have no accountability structure. They are public servants and in their public role they suggest they are making a gift to the State but the State cannot confirm whether it received it.

Mr. David Moloney: Section 851A of the Taxes Consolidation Act is clear about taxpayer confidentiality. Because the mechanism is a tax mechanism-----

Deputy Paul McAuliffe: Is Mr. Moloney saying that if, in the morning, the Taoiseach said he would forgo all of his salary, we would have no accountability structure to state whether he did so?

Mr. David Moloney: I am saying that as I understand the legislation, I would not be able to comment on whether he had done so because it is a tax matter for the individual.

Deputy Paul McAuliffe: It is a huge risk to standards in public office in Ireland when people can suggest they gift money and the State cannot confirm it. It is not an individual matter or a pay matter. It is a matter that impacts standards in public office. What will happen is that we will have a race to the bottom and only people with independent wealth will be able to engage in public service. It is a serious point. Politicians are free to do it because they have their own accountability structure but if public servants are engaged in it and there is no accountability structure, then there is a significant issue with standards in public office.

Mr. David Moloney: The legislation is there and unless my understanding of it is very wrong, it sets out what I can and cannot do.

Deputy Paul McAuliffe: Given the concerns I have raised, which are reasonable, I suggest that a policy on this matter be drawn up. It should not fall to an individual case. That is not fair on the individual or the Department. There should be a policy on how public servants gift money to the State and an accountability structure for it. I would be surprised if the Department of Public Expenditure and Reform did not have a policy in this area and that it was left solely to *ad hoc* arrangements between individuals and their employers.

Mr. David Moloney: We have undertaken to continue to look at this issue. We can do this. We can have a look at the issue.

Deputy Paul McAuliffe: I appreciate that. I have spent more time on this than perhaps I expected to. Vote 15 has the very exciting title “Secret Service” and I have very little detail on it, probably for very good and valid reasons. Will Mr. Moloney tell us a little bit about this Vote and the type of spending, without telling us all of the details?

Mr. David Moloney: I will tell the Deputy the arrangements of the Secret Service Vote. The Secret Service Vote is predominantly drawn down by the security services of the State. We do not have visibility on the activity that it funds because of the nature of the Vote.

Deputy Paul McAuliffe: For the record, will Mr. Moloney confirm the scale of the Vote?

Mr. David Moloney: It was €2 million in 2021 and the 2021 outturn was €1.179 million of the €2 million allocation.

Deputy Paul McAuliffe: It is largely to do with decisions made by An Garda Síochána. Is that correct?

Mr. David Moloney: The two Ministries concerned are the Departments of Defence and Justice.

Deputy Paul McAuliffe: Often, €2 million public spending gets a lot of scrutiny here. While I understand by their nature that secret services must be confidential, we would like to think there is some parallel governance for the Vote, particularly with regard to the use of informers. The illegal drugs industry is a scourge in my community. I would hate to think that public money was being spent recklessly by paying informers in the industry. There may be a role for this but it is surprising that there is no accountability structure for €2 million of public money.

Mr. David Moloney: To be clear, there is something about the nature of this Vote and because of this the level of sign-off and certification required is extremely high.

Deputy Paul McAuliffe: Not public scrutiny, however.

Mr. David Moloney: I rely on annual certified statements by the relevant Ministers. There is a high level of political scrutiny for this and a high level of political accountability. Given the nature of the Vote, the structures in place are at a high level.

Deputy Paul McAuliffe: I understand that and I thank Mr. Moloney for his responses.

Mr. Seamus McCarthy: I can add that there is an arrangement whereby a retired judge of the High Court inspects in Garda stations the arrangements for the control of this expenditure. There is additional assurance. It is to ensure there is proper sign-off and understanding that there is not an individual who is essentially running a book and that there is some higher level engagement on what payments are being made and why.

Chairman: Each year, a retired judge asks for a profile of the payments but they would not have the names of the individuals.

Mr. Seamus McCarthy: No.

Chairman: They would be able to ask about informants and surveillance costs. Do they get a breakdown of this on an annual basis?

Mr. Seamus McCarthy: I am not sure and I do not think it is appropriate to go into the

detail of what that function is. It is an inspection function designed to avoid maverick or unauthorised payments being made. There is an assurance system in place.

Chairman: The Minister has an oversight role.

Mr. Seamus McCarthy: The Minister has a sign-off role in regard to this matter.

Chairman: A previous Minister for Justice gave me a very unsatisfactory answer, as I recall it, and personalised it a little bit. I call Deputy Catherine Murphy.

Deputy Catherine Murphy: I welcome Mr. Moloney and wish him the best of luck in his new role. I want to focus on two areas, Benefacts and public-private partnerships, PPPs. Benefacts was the only organisation drawing together data from audited financial statements from thousands of non-profits. I think it dealt with somewhere in the region of €7.4 billion and, very often, it would receive funding from multiple sources, sometimes multiple State sources. It was an open access database and was heavily used. It took €250,000 to close it down and this was after €6 million had been spent since 2015, a lot of it State money - public money - and some of it from philanthropy. There is no replacement for it. A resource that was being used has disappeared and that, to me, screams waste of money.

I find it very difficult to figure out what the thinking was, given there was no replacement. The Charities Regulator, for example, would have about 11,000 entities on its books, with 4,000 of those being schools, whereas this particular database contained a much bigger number of entities. We are supposed to be taking an open governance approach. This was very important information. Why was it closed down without even consulting the stakeholders who, I understand, found out through a freedom of information release? Why did that happen?

Mr. David Moloney: As the Deputy says, in 2014 Benefacts was formed with 50% Department of Public Expenditure and Reform funding. It was a pilot programme, it was always a pilot programme and it was never going to be a Department of Public Expenditure and Reform programme. It was at a time when, as the Deputy said, there was very little data available on the charities sector in particular, and that is why we funded it on a pilot basis. The reality is that we engaged with the potential funders in government in regard to whether this was something they were prepared to fund or take over. In the course of 2020, for various reasons – for their own reasons, and I am not even fully sighted on them - the charities regulator-----

Deputy Catherine Murphy: Was a business case done with regard to the duplication or the replication of another database when a database existed?

Mr. David Moloney: We did a review of Benefacts and found it was not value for money.

Deputy Catherine Murphy: Can we see that review?

Mr. David Moloney: I presume so. Unless there is some proprietorial issue, there is no problem providing it to the Deputy.

Deputy Catherine Murphy: This was a not-for-profit and it was heavily used. The Department is now going to have to create a new database. What is the cost of doing that and is that coming from the Department of Rural and Community Development or elsewhere?

Mr. David Moloney: The Department of Rural and Community Development is responsible for the not-for-profit sector. My understanding is that it is considering what its data needs are in regard to the sector. It is clear that the context has changed considerably since 2014 in

terms of the regulatory requirements of the sector, the establishment of the charities regulatory authority and the requirements of the Department. It is a matter for the Department now to decide what its data needs are and I understand it has not fully decided that yet.

Deputy Catherine Murphy: The public have a right to information as well. We have this supposedly open government approach. My distinct impression is that, at best, we are going to end up with a fragmented system where we will have a piece from the Charities Regulator, we will have gaps because Benefacts covered a much wider remit and we will not have the oversight. It is as if there is a management of information that is the opposite of what is desired in terms of the open government approach. The public have an interest in this. It is their money. Does that factor in at all?

Mr. David Moloney: Absolutely, it does. That is the reason it could not continue as a pilot project. It was reviewed and was found not to be value for money. At that stage, we consulted with every Department and agency we could think of that might have an interest in the data and that might have an interest in taking over some or all of it. None of those Departments or agencies felt the particular solution to their data needs went in this direction.

The Deputy mentioned that people found out about this very late. We first wrote to Benefacts about this in July 2020 and it finished in March 2022.

Deputy Catherine Murphy: The Department had a report commissioned by Indecon and it went beyond the remit it was set. Why was that?

Mr. David Moloney: In what way?

Deputy Catherine Murphy: In terms of the review of the state aid.

Mr. David Moloney: I am not absolutely certain what that issue is.

Deputy Catherine Murphy: I will come back to the Department by way of parliamentary questions because I do not have the time to go through all of the points on it. When it was set up, was the issue of state aid something that was considered at that stage? It seems ludicrous that the Department would allow it to run for six or seven years and not have done that if it was going to be a risk. Those kinds of risks would be considered in advance of setting up something, surely.

Mr. David Moloney: I think that is right. This is going back to 2014 but, as I understand it, that issue would have been considered. At that stage, the reason it was seen as okay to support the project on a pilot basis was that there was no other activity in the marketplace and the level of information gathering, the level of data gathering-----

Deputy Catherine Murphy: Is that the case now?

Mr. David Moloney: My understanding is there is more capacity in the market now and it is a more mature market. If we went to tender in 2014, we would not have had anyone, and now we would.

Deputy Catherine Murphy: This was a not-for-profit. Is this now a market function as opposed to a public right to information function? That is a public good, surely.

Mr. David Moloney: To the extent that we perceived it in 2014, it was a data requirement and we proceeded with the pilot on that basis. We have consulted exhaustively with the Depart-

ments and agencies that might have a data requirement in this area and they have not identified their data requirements as aligning with what Benefacts does.

Deputy Catherine Murphy: Mr. Moloney said the Department consulted with the various other Departments. Instead of going through all of the rigmarole of asking a lot of parliamentary questions, can we have the responses from the various Departments in the form of a note? That would be helpful, rather than going the long way around to get that input.

Mr. David Moloney: I will look to see what we have in that regard. Obviously, we wrote to Departments. A group was established and, as I understand it, we were not part of that group. We can see what we have and make it available to the Deputy. There is no problem with that.

Deputy Catherine Murphy: I will come back to that later. I want to ask about public-private partnerships, PPPs. In Mr. Moloney's opening statement, he talked about the advantages but he said nothing much about the disadvantages. I remember that at the previous Committee of Public Accounts, of which I was a member, many of us did not conclude what Mr. Moloney concluded about value for money. For example, there would have been guaranteed traffic levels with some of the PPPs, which goes absolutely against our climate obligations, which are not new. We are paying considerable amounts in compensation in regard to some of the PPP schemes where traffic counts have not met the minimum that was set. Mr. Moloney says the Department did a review of the PPPs. Could he furnish us with a copy of the review where it was concluded that they represented value for money?

Mr. David Moloney: A senior level interdepartmental agency group was established as part of the review of the national development plan, and it came to that conclusion based on the experience of the Departments around the table. The key findings and recommendations of the review are published on the website and we can certainly provide it to the Deputy.

Deputy Catherine Murphy: Right. That is okay. Does the Department carry out reviews of all the PPP projects? That is one of the issues that came up when the previous Committee of Public Accounts had hearings on matter. Reviews were only done in a sample of cases. Does the Department carry out a review in every situation where there is a PPP?

Mr. David Moloney: As I mentioned in the opening statement, our role in regard to PPPs is a policy one covering the guidelines and framework. It is in the context of satisfying ourselves that the guidelines and framework are fit for purpose and that we review PPPs and look at individual cases. Regarding individual projects, it is the sponsoring Department that is responsible for the review.

Deputy Catherine Murphy: Does the Department of Public Expenditure and Reform ask the sponsoring Department for reviews? How does the Department of Public Expenditure and Reform satisfy itself if it does not have the evidence?

Mr. David Moloney: In the first instance, it is a matter for the Accounting Officer of the responsible Department to be satisfied that value for money has been achieved.

Deputy Catherine Murphy: Mr. Moloney is saying he is satisfied with something that he does not have the evidence for. I do not see how he can make that claim.

Chairman: I thank Deputy Murphy and call Deputy Munster, who has ten minutes. Following that, we will have a short break. As she is online, I will give her a reminder when she has two minutes left.

Deputy Imelda Munster: I wish to touch on a couple of issues relating to the Department's view on housing. Is it satisfied with the proportion of social housing units directly delivered by local authorities or approved housing bodies from a value-for-money perspective? In 2021, there were just over 5,000 social houses, but only 20% of them were directly delivered by local authorities. What is Mr. Moloney's opinion on that from a value-for-money perspective?

Mr. David Moloney: As Deputy Munster knows, the responsibility for housing rests with the Department of Housing, Local Government and Heritage. As she is also aware, the targets set out in Housing for All for social housing, including the breakdown of those targets, have been decided by the Government. Therefore, this is a policy matter. In the national development plan, as per the Minister's role, we have provided significant funding in order to support social and affordable housing. We monitor the spend on that function and we participate in the implementation of the Housing for All report.

Deputy Imelda Munster: Comparisons have been made between the cost of turnkey homes or leased properties versus those directly built by local authorities or AHBs. Has the Department completed any analysis of the value for money for each type of housing?

Mr. David Moloney: Over time, under the rubric of the Irish Government Economic & Evaluation Service, IGEES, we have done a number of papers on various modalities and the relative cost of them in different parts of the country. We hope that they would form a useful input into decisions by the Department of Housing, Local Government and Heritage and by local government in terms of informing them of what the best value for money options might be in particular cases. They show there are differences-----

Deputy Imelda Munster: Could Mr. Moloney give an example of what were the best value for money options that were discovered in the analysis?

Mr. David Moloney: The analysis compares the costs of various delivery options in different parts of the country. The main conclusion drawn is that different solutions might provide cheaper per unit housing in different parts of the country. It really does depend on the local housing market and the situations pertaining to it.

Deputy Imelda Munster: Would Mr. Moloney be able to furnish us with that analysis and report?

Mr. David Moloney: Absolutely. Again, they are on the website, but we are happy to provide the Deputy with copies.

Deputy Imelda Munster: I thank Mr. Moloney. The Department has told the committee that the increased spend on private rental subsidies is now more than €1 billion per year or 20% of the housing budget. That is required to meet the housing needs of people who are supported through the likes of the housing assistance payment, HAP. Mr. Moloney referred to many years of decline historically with regard to the delivery of housing stock. Does he agree that at least up until this point, Government policy has failed with regard to the delivery of housing? I am speaking about social housing in particular. Did the Department ever raise those concerns with successive Ministers?

Mr. David Moloney: As the Deputy knows, it is not for me to comment on Government policy.

Deputy Imelda Munster: I am talking about from a value-for-money point of view.

Mr. David Moloney: From a value-for-money point of view, we sought to input into the process through looking at the cost of different housing options through the IGEES work. The advice to the Government in regard to housing primarily comes from the Department of Housing, Local Government and Heritage.

Deputy Imelda Munster: If we take long-term leasing, for example, from a value-for-money perspective, how would it compare with directly built social housing?

Mr. David Moloney: Predominantly, these are policy matters for the Department of Housing, Local Government and Heritage. We have done some work comparing the different types of build and we can provide it to the Deputy. Again, it really does depend on what is being built, where it is being built and how it is being built. I do not think there is a simple answer in terms of the numbers.

Deputy Imelda Munster: Mr. Moloney will probably say the same thing in response to my next question. I want to ask about the Government's proposal for the €450 million gift to developers given the fact that there is no affordability clause built in. There is no condition on this money to ensure that the apartments are affordable. Could Mr. Moloney give any insight into why that decision was made or what oversight he has on it?

Mr. David Moloney: I am afraid that it is going to be the same answer again, in the sense that there are policy issues that are not for me to comment on. The role of my Department is that it is involved in the budget-setting process and it is a matter for the Department of Housing, Local Government and Heritage in conjunction with the local authorities to roll out particular programmes, including the-----

Deputy Imelda Munster: Does Mr. Moloney have no opinion on it from the point of view of value for money? Is he concerned that it would increase the cost of housing or would not provide value for money at the end of the day? Does the Department not have an opinion on that?

Mr. David Moloney: It is a matter of Government policy and it is for the Department of Housing, Local Government and Heritage to implement it.

Deputy Imelda Munster: Okay. In March, a number of road projects were shelved and then the decision was reversed. Was there any involvement with the Department of Public Expenditure and Reform in that? What type of cost-benefit analysis was carried out, if any?

Mr. David Moloney: In relation to roads projects, I am aware that the Department of Transport has an analytical unit which would do that sort of work. It is a matter for the Department of Transport to look at the value for money regarding individual roads projects. We would not have a role in relation to that.

Deputy Imelda Munster: Okay. Transport Infrastructure Ireland, TII, is currently conducting a review of projects, arising from the increasing inflation in construction, in order to see what the budget can deliver. Is the Department of Public Expenditure and Reform working with TII on the review?

Mr. David Moloney: Deputy Munster will be aware that we have introduced certain changes to the public works contract in recognition of the challenges that are present in terms of price increases, in particular for some elements of the construction sector. We consult broadly with colleagues in that regard, but the specific sectoral piece, the transport piece, is for TII and the

Department of Transport.

Deputy Imelda Munster: Is it the case that no project that is currently funded is likely to see any progress over the next decade?

Mr. David Moloney: Again, it is a matter for the Department of Transport.

Deputy Imelda Munster: I thank Mr. Moloney.

Chairman: The Deputy asked for a note regarding the spend on long-term leases on HAP, etc., and the value for money part of it. Could we have included in that, as part of the assessment at the end of the ten-year lease - it is mostly a ten-year lease for the long-term ones - the fact that the State does not have an asset? I will explain properly what I am asking. If the money is invested in social housing, which one cannot do all at once - private rented accommodation is a short-term interim solution that has become a long-term solution, unfortunately - either through the local authorities or an approved housing body, there is an asset in the form of a house which the local authority may sell to a tenant at a future date or continue renting, or which the approved housing body will continue renting. In terms of the note in relation to value for money on that, can Mr. Moloney include in the calculation the fact that there is not an asset at the end of the process? No matter how long HAP goes on or a lease goes on, there is not an asset for the State, the local authority or approved housing body at the end of that process. I am asking whether that can be factored in.

Mr. David Moloney: The pieces of work that I have agreed to give the Deputy are published pieces of analysis. As I understand the Chairman's question, it relates to the methodology by which they are being calculated and what the end-of-life value of the asset is. We can certainly provide the Chairman with a note on that methodology.

Chairman: Many people would feel there is an important differentiation between the money that is spent on renting and leasing, and the direct investment in social and affordable housing. I thank Mr. Moloney.

We will suspend for ten minutes. We will resume at 11.10 a.m. Is that agreed? Agreed.

Sitting suspended at 11.02 a.m. and resumed at 11.11 a.m.

Chairman: I call Deputy Colm Burke.

Deputy Colm Burke: I will focus on the issue of public contracts, in particular, public private partnership and the way forward. I am concerned about the process of the putting in place of public contracts, as a result of which a major cost is being added to the contracts. I will cite the example of a contract with which I was directly involved. It was a school premises where a new school needed to be built. A State agency objected to the planning permission. Even though that State agency was given an undertaking that the number of students in the school would not be increased further, it took the matter all the way to An Bord Pleanála. That State agency caused a delay to the provision of a school.

A second issue was a further delay arising from the time the tenders were submitted to the when a tender was accepted, as a result of which the pricing of the project had changed. The lowest tenderer could not complete the project for the price the contractor tendered and it offered to submit a revised tender, which would still have been lower than the next lowest tender. The Department refused to allow that. It went to the second lowest tender and that contractor

would not accept the project and neither would the third or fourth lowest tender. The project was awarded to the fifth lowest tenderer that tendered for it. There was a price difference of approximately €700,000 between the tender price that was finally accepted and what the revised tender of the lowest tenderer would have been, if accepted. That did not represent good value for the taxpayer. Surely there must be a process for dealing with those problems. A State agency objected to planning for a State project and despite entering into discussions on it, that State agency did not back down. There was also a delay in processing the tendering and even getting the project ready for tendering. How does Mr. Moloney envisage such an issue would be dealt with in future?

Mr. David Moloney: As the Deputy will know, in terms of our setting out the guidelines for procurement frameworks, we do not have that much visibility of individual projects. As a general principle, we would not want different arms of the State conflicting with each other. We would want them to reach negotiated and mediated outcomes, whether it be with respect to planning permission or any other legal action. As a result of the fiduciary and other duties and statutory or other responsibilities State agencies have, it is not always possible to avoid it, but I do not have oversight of the specific issue.

Regarding the difficulties that arise, particularly in the current circumstances around the length of time that passes between a tender being accepted and the project being initiated, which can sometimes happen, this year we have tried to introduce some flexibility into the public works contract in January. We said there could be a more flexible arrangement with new contracts to take account of that time factor. We are also encouraging contracting parties to minimise the time involved. In a zero inflation environment the time factor is one thing, but in a higher inflation environment the time between tender awards and implementation needs to be minimised.

Deputy Colm Burke: With regard to the system in Departments, whether it be the Office of Public Works, the Department of Health or the Department of Education, does the Mr. Moloney accept the process involved from the time we decide on a project, to it going for and securing planning, to getting it up and running is far too slow? Does he accept that process needs to be reviewed, given that in the private sector there is a far faster turnover time for projects from start to finish. A project in the private sector will be turned over in two years whereas in the public sector it can take anywhere from six, seven or eight years. How can we become more efficient in dealing with projects?

Mr. David Moloney: Regarding the application of the public spending code, it is a set of rules that need to be complied with in order to ensure value for money for the taxpayer. We do not consider they, in themselves, have an impact in slowing down of the process because many actions are taken in parallel. We encourage contracting parties to move through the bases of the public spending code as quickly as possible. Many of the delays in project formulation can be about deciding what the project is and how to specify it, getting consensus on what the project is and going through the various consultation processes in the public sector, which is not a feature elsewhere.

Deputy Colm Burke: I will cite the example of a project where a local authority got a project done from start to finish in two years. I had the privilege of being Lord Mayor of Cork from 2003 to 2004. I had a very good city manager, Joe Gavin, there at that time. We had many properties rented for staff around the city. He wanted to do an extension to City Hall. He got companies to tender, design, apply for planning, build, finance and deliver the project. It was delivered within two years from start to finish. It probably cost four times less than had we gone

through the process of waiting to be allowed borrow money and of what would be involved in Departments. There was a great saving for the State in building that additional accommodation in City Hall. Do we need consider a more expeditious way to deal with projects than our current structure? I accept we need to have checks and balances but they have extended from layer to layer within Departments. It is not helping the system. Is it time for a review?

Mr. David Moloney: We are doing a short review of the public spending code in the context of the national development plan. The single most effective way to address the delays the Deputy referenced is to carry out external independent scrutiny of project proposals within the planning and appraisal stage in order that clarity in the design and in what is being done facilitates the type of project the Deputy referenced being done in shorter timelines. We have put in place a framework under which Departments can appoint external assurers which we believe will substantially reduce timelines in some places. Reviews take six weeks and can be done in parallel to other parts of the project inputs. Our experience is that clarity about what needs to be done and how it needs to be done, which the Deputy referenced, is often missing.

Deputy Colm Burke: We ran into problems with some public private partnership projects. What mechanisms need to put in place to ensure with public private partnerships there needs to be an external oversight on behalf of the relevant Department to make sure all that is set out in the contract is being delivered?

Mr. David Moloney: Yes. It is certainly the case that public private partnerships, like any contract, need to have strong governance. The sponsoring Department needs to put in place strong governance and oversight of those projects. While we have had, broadly, success in relation to the public private partnerships we have delivered, it is noticeable no new PPP projects have been agreed since September 2015. One of the things we have now done to ensure greater visibility in the financial costs of public private partnerships is to include the full cost in the capital envelopes of the Department, which therefore has stronger incentives to put in place strong governance frameworks around those projects.

Deputy Colm Burke: Does Mr. Moloney see that mechanism now being used? He said nothing has been done since 2015. That is seven years ago. Is Mr. Moloney saying we now have the expertise in the Departments to make sure we have all the mechanisms in place, if we go down that road?

Mr. David Moloney: I think we do. The PPPs are subject to the same rigorous oversight processes as any other capital expenditure. When I said we had no new PPPs since 2015, we have things such as schools bundles decided before 2015, and social housing bundles, that are being progressed. There are a relatively small number of areas but a number of Departments benefit from using PPPs and delivery through PPPs.

Chairman: The Deputy has just gone over time.

Deputy Colm Burke: Is Mr. Moloney satisfied that all the safety mechanisms are there in respect of those public private partnerships, so we do not have a repeat of what happened in projects?

Mr. David Moloney: We are satisfied the Accounting Officers are in a position to put in place robust, rigorous project appraisal and oversight for those projects.

Chairman: I will let Deputy Colm Burke back in during the second round. A couple of other members may be along later. I will ask Mr. Moloney to clarify a matter relating to the

CEOs and Accounting Officers of State bodies. Does the Department require their salaries to be disclosed and published? Is that available?

Mr. David Moloney: The code of practice for State bodies has that requirement in it. It is a comply-or-explain code.

Chairman: I will return to the matter of the Accounting Officers. Why is there a difficulty around their salaries?

Mr. David Moloney: Obviously, we have responded to the committee's-----

Chairman: Mr. Moloney said State bodies that are funded by Departments are at one remove, to some extent, from a level of accountability to Ministers and so on, and are not the same as Departments. Why is there a different set of criteria for those bodies?

Mr. David Moloney: There are two elements. The first is we are happy to disclose the gross salaries of Accounting Officers and Secretaries General. We have done that in the 2021 account by virtue of the salary grade. The committee asked us to actually do the salary and we are looking at that. We do not see a big difficulty in that. The other issue in terms of the comparison between the code of practice and the circular underpinning the appropriation account is the code of practice is comply-or-explain. The risk and the balance of public interest versus any privacy entitlements is a matter for the individual body to consider and-----

Chairman: Has the view of the Data Protection Commissioner been sought on that?

Mr. David Moloney: We have not yet sought the view of the Data Protection Commissioner. We are not at that stage yet. Our next step, as we said in our reply to the committee, is we are considering further of 2022-----

Chairman: Mr. Moloney mentioned taxation and Revenue a number of times in his replies to members. In my case, if I gave back so much to the State by personal choice in respect of the pay rises over the past 11 years, I would have evidence of it. I would have a photograph of it on my phone because we sometimes get asked about these things by journalists and so on. If a senior civil servant is gifting back, for example, €80,000 a year, or said he or she was doing so, where does Revenue come into it? The question being asked is nothing to do with a civil servant's net salary or the net effect of all of that. It relates to the amount of gross salary being gifted back. Why is there a Revenue issue around that? I do not get it. I am missing something there.

Mr. David Moloney: No problem. Again, this is our understanding and we have committed to looking further at the issue-----

Chairman: Sorry. My understanding of it is this. If a senior civil servant, in general, says he or she is gifting back €50,000 or €80,000 of his or her gross salary to the State, why can there not be some paper trail of that or evidence to show it is happening? I am not asking a question and, in my memory, this committee or any member of it has never asked a question, about the net effect of that on the person's take-home pay and his or her net income. What we are asking about relates to that gross figure. Surely, there should be some paper trail for it relating to the gross effect of that or, in other words, if someone states he or she is surrendering €50,000, €70,000, €80,000 or whatever.

Mr. David Moloney: The gifting is done under section 483 of the Taxes Consolidation Act

1997. When we talk about people gifting back to the State, that is the provision in tax law it is done under. That is the technicality of it. Section 851A of the Taxes Consolidation Act 1997 imposes an obligation to protect taxpayer confidentiality so-----

Chairman: I understand that.

Mr. David Moloney: As we read it, it is for that reason we need to figure out what it is we can or cannot-----

Chairman: That is being conflated though. Nobody is inquiring into the personal tax affairs of any senior civil servant, Accounting Officer or politician. We are simply asking what if somebody says they are gifting back to the State? In my own case, there is a document because I signed it. I sign it each year. Is that document there in the case of a senior civil servant? That is what I am asking. I can show Mr. Moloney a photograph of what that document looks like after the meeting.

Mr. David Moloney: My understanding of the process is exactly that.

Chairman: Yes. The one-stop shop gives it to you every year.

Mr. David Moloney: In gifting under section 483 of the Taxes Consolidation Act, you sign a certificate to that effect and submit it to the Revenue Commissioners.

Chairman: Okay. There is a document. I wanted to clarify that.

I will deal with the issue of construction inflation. Last week, the Government announced a fund in excess of €500 million to meet more than 70% of construction costs that are related to inflation. As I understand it, the scheme is not time-bound. It is retrospective and goes back to 1 January this year. It covers increased energy costs. While there is no doubt but that energy costs have gone up, energy on its own is not the major part of inflation in construction. It is significant, in the context of road construction and things like that, where heavy machinery is being used. We know from previous discussions we had with the board of the children's hospital, there is recognition and provision for 4% inflation. Once it goes over 4%, they can make a claim for it. Will the Government provision of that fund potentially add further costs to the children's hospital in respect of price inflation on that project?

Mr. David Moloney: I will take the children's hospital piece first. My understanding is the answer to that is "No". It will not. The children's hospital has its own framework. In effect, under the existing public works contracts, as I understand it, after three years, negotiations on price changes cannot take place in any case. Obviously, the children's hospital project is more than three years but, as the Chairman said, there is that 4% provision in the contract, which is quite a bespoke arrangement.

On energy, the Chairman is quite right that energy costs for construction are mostly a relatively small component, but there are particular construction firms for whom it would be a larger proportion of their costs.

Chairman: We are obviously dealing with private companies. I understand that. They have shareholders and have to have profit margins and so on. This could become an area of contention with Government Departments. The Department of Public Expenditure and Reform's role in terms of oversight is not just about authorising the signing of cheques. It must take an interest in this, which it has done over the years. In terms of reduced profit margins, dividends for

shareholders and so on, that will become an area of contention because when a claim is submitted by a private company that is building a hospital, a road or some such, a percentage of that claim would be related to profit margins and dividends for shareholders. Is the Department of Public Expenditure and Reform concerned about that? Last week the Department said it was going to cover up to 70% of inflation-related costs. Is there a concern that there is a grey area here, in terms of companies saying that their profit margins have been wiped out and they cannot pay dividends to their shareholders this year? That is where the commercial world and the public purse meets and that could result in a bang or a collision.

Mr. David Moloney: The changes that have been introduced are voluntary changes. They are in the nature of an *ex gratia* payment. They are also negotiated contract by contract, as opposed to having widespread application by themselves. There is scope for the contracting party to evaluate and take a view on the extent to which this arrangement is necessary. We got very strong feedback from contracting parties that contractors were struggling and that there were going to be delays in projects arising from-----

Chairman: That is their feedback. What I am asking-----

Mr. David Moloney: The feedback was from the Departments which were trying to deliver projects. Departments that were trying to deliver projects were saying that projects were at risk and that people were walking away. They were very strongly of the view that there were serious issues that had to be faced. Then it is a question of how we face them in a way that is fair to the taxpayer as well as to the individual contract.

Chairman: I am aware of the pull factor in terms of them having other work. That is certainly the situation at the moment. It is with that in mind that I am asking the question. In terms of the oversight role of the Department of Public Expenditure and Reform, there is potentially a big grey area there, where the public purse and the commercial world meets. I understand that. That is the business they are in and that is why they are there. They have profit margins to meet and shareholders to satisfy. What I am asking is whether the Department will be on high alert when it is overseeing the signing of cheques by other Departments to ensure that the grey area, that area of contention or negotiation, is not abused.

Mr. David Moloney: I understand the point and yes, we will be. In the first instance, it is a matter for the contracting authorities but we would expect them to have a line of sight on what the actual costs in the contract were and, therefore, how those costs were affected by the inflation in the particular sub-components of the wholesale price index that are involved.

Chairman: I want to move on to the HSE. As referred to earlier, the budget for this year is over €21 billion. I have no argument with that but there is a sense that even if we filled a tipper lorry with money and tipped it up outside the HSE's headquarters, the services at the other end would not materialise. I do not want to rhyme it all off here because I have taken this up with the Department of Health and the HSE previously and will be doing so again when they appear before this committee again. Basically, we have increased and increased the amount of money we are putting in to health, which is good, but the services are not there. Not alone are the services depleted, they are actually disappearing. Public dental services have disappeared in the part of the world that I inhabit. They do not exist any more in the county in which I live. I could go on and on.

Recently we got a profile of the schemes available for children with autism and there are gaps all over the place, lengthening waiting lists and so on. I know we have come through

Covid and we must take that into consideration. That said, we are a high spender on health. In fact, I think we are now the second highest for health spending, which is good but countries that are spending less, which are not low-wage economies but comparable northern European countries, have amazing outcomes. I know we cannot have a utopia with a perfect health system because that does not exist but other countries are 90% of the way there while we are only 30% to 40% of the way. There are gaps all over the place. Any public representative, whether a county councillor or a Deputy, or anyone familiar with dealing with the public on these issues knows of the gaps in the system. Day after day, we come across gaps where services do not exist.

My point is that from the point when we tip in the money - €21 billion plus, which is fine - to the point when we get the services, is anyone talking to senior and middle management in the HSE and asking them what is happening here and why are there no services at this end? I am sure the Department of Public Expenditure and Reform monitors what goes on in the Dáil and in the media in relation to the absence of health services, despite all of the money being invested. What is happening there?

Mr. David Moloney: I think it is today that we are publishing the public service performance report which, among other things, shows some of the activity generated by the different Votes, including the Department of Health Vote. Obviously, we are concerned to secure value for money from the considerable investment that is being made in health services. We do monitor it on an ongoing basis. We spoke about the health budget oversight group previously. In doing that, we acknowledge, as the Chairman has done, the impact of Covid in recent times. We also acknowledge the impact of the increased population and so on. We certainly take every opportunity to try to drive better value for money in the health services but from our point of view, these are issues that are fundamentally a matter for the Department of Health and the HSE.

Chairman: They were told they needed an integrated financial management system eight years ago. Imagine the chairperson of a board or someone in middle management coming back to a body like this committee, eight years later, and saying that nothing will happen until the back end of 2025. I am open to correction, but I think that was the last date we got from them. That means it will be over 11 years from the time they were told they needed such a system. That is more than a decade. We cannot run public services like that. It is bananas. That is the only way I can describe it. It is bananas that they do not have a single, integrated financial management system.

The more I look at the HSE, and others here have been looking at it for longer than me, the more incredible it seems. I know that as Secretary General, Mr. Moloney could devote his entire Department to looking at this but he cannot do so because he has his finger in a lot of pies and has lots of responsibilities. That said, in terms of the area of health, the Civil Service and the Oireachtas must get on top of this. The public willingly pay their taxes. Every week tax is taken out of employees' wages before they see it and the self-employed pay tax every three months to Revenue but at the other end of that, we just cannot seem to get the services.

Since coming into office, has Mr. Moloney taken up the issue of an integrated financial management system with the CEO of the HSE and the Secretary General of the Department of Health?

Mr. David Moloney: I agree that an integrated financial management system is key for the HSE. Some six or seven years ago, the then CEO of the HSE described it as the number one non-clinical priority for the HSE. It is a huge financial and change management project but we would like to see it go further and faster. Clearly, Covid-19 has had an impact. I was involved

with the development of the financial management system in my previous role. We have been in contact with the CEO of the HSE about the group that is overseeing that system and we have nominated somebody to that group in order to assist in whatever way we can. It is-----

Chairman: Is Mr. Moloney concerned about the fact that eight years on, we are no closer to its delivery?

Mr. David Moloney: We are anxious that the project proceeds. There was a timetable a number of years ago to which a number of important changes have been made. The process is not going fast enough.

Chairman: In the year and a half I have been in this position, the timetable has shifted. The last target I heard at a committee meeting was 2025. I am open to correction on that.

Mr. David Moloney: I think that is right.

Chairman: That is not acceptable. The Department of Public Expenditure and Reform and the Committee of Public Accounts need to be on the one page about this. Someone needs to start examining what is going on in our public health system and the failures there. Money is being frittered away. The amount of taxpayers' money made available is willingly increased each year. It is voted through in the Dáil Chamber. Where do people go to access services at the other end? This is a big issue that we could spend a month discussing. We do not have that time to spend on the issue. I am trying to highlight that because of the oversight role of the Department of Public Expenditure and Reform, we need to get on top of this. Health is the one Department from which we need better outcomes. I ask Mr. Moloney to give priority to that integrated financial management system. I was first told in 2020 that it was going to be the back end of 2022 before the project would be delivered. That has since shifted to 2024 and I think 2025 is the current target, although I am open to correction. The fact that it has taken eight years from the time the Department was told it needed this system to delivery of same bamboozles me. We are now talking about the process taking 11 years and that is totally unacceptable. I urge the Department to do everything possible to try to get on top of that.

Mr. David Moloney: We certainly will.

Deputy Verona Murphy: Will Mr. Moloney explain to the committee the work of IGEES in the Department of Public Expenditure and Reform? How is its work disseminated through the public service?

Mr. David Moloney: There is a central unit for IGEES within the Department of Public Expenditure and Reform. That central unit co-ordinates the network of IGEES people who are employed in almost all Government Departments. There are IGEES people, taking staff movement into account, in all or almost all Government Departments. The central unit recruits and allocates people to different Government Departments. Those Departments have a number of different ways in which they organise internally. Some have IGEES units, others have strategic policy units and others again have analysis units. They feed into the analytical work done in those Departments, alongside other policymakers.

IGEES does a number of key things. For example, it supports the annual spending review process. There are a large number of analytical papers produced and published under that process. The idea is to inform and feed into the policymaking process.

Deputy Verona Murphy: Does IGEES create changes in practice that provide value for

money or that would provide value for money?

Mr. David Moloney: It highlights data and evidence that drive change.

Deputy Verona Murphy: Will Mr. Moloney give us an example of that?

Mr. David Moloney: IGEES has done a large amount of work on the labour market. It has informed considerable changes over time in how we approach the issue of labour market policy, for example, through activation and incentivisation.

Deputy Verona Murphy: Is that information available to the public?

Mr. David Moloney: It absolutely is.

Deputy Verona Murphy: How does IGEES feed into the Economic and Social Research Institute, ESRI? How does the research that is carried out feed into the ESRI?

Mr. David Moloney: There is a fair bit of informal contact between the ESRI and members of IGEES as part of a wider policymaking community. The ESRI is independent while IGEES is a part of the Civil Service.

Deputy Verona Murphy: The two organisations collaborate, for want of a better word.

Mr. David Moloney: They do. They talk and interact all the time.

Deputy Verona Murphy: Mr. Moloney mentioned the labour force and as far as I can see, there is no labour force. Every problem we have seems to be caused by the fact we cannot recruit people, particularly within the HSE.

That brings me to another question. What is the role of the Department of Public Expenditure and Reform when it comes to the question of public health and its budget? The health budget has grown significantly, year on year, since 2016. The increase has been significant and the budget has almost doubled. However, for every aspect of health service that I deal with, including child services, carers and adolescent services, the waiting lists are growing exponentially. It seems we are putting money into a black hole and no service is provided. I will ask the Taoiseach about the issue under Questions on Policy and Legislation. Why are we getting such poor value for money from our health service? Have our guests any idea?

Mr. David Moloney: I thank the Deputy. We certainly have invested in the health service and that is the role of-----

Deputy Verona Murphy: Have we invested in it or squandered money? My definition of investment does not apply to the health service because I cannot see a result. I cannot see anything except lengthening queues. I know Mr. Moloney does not work in the health area but I am asking what is his position on this issue. We have doubled the budget and things are getting much worse.

Mr. David Moloney: We have certainly increased funding. The role of our Department is predominantly around advising the Government on funding levels and reaching budget agreements that then go to appropriations that are adopted by the Dáil. We also monitor the use and spending of the money.

Deputy Verona Murphy: That is the point. The Department has a role in monitoring the use and spending of the money. I ask Mr. Moloney to elaborate on that. This might take a bit

of time. I acknowledge I have only one minute left but this is an important point.

Mr. David Moloney: As I mentioned earlier, we are publishing a public service performance report that has a number of key activity indicators so that we can see whether activity levels have gone up or down in important areas such as acute hospitals, primary care, health and well-being and mental health services. We shine a light on those areas and publish data relating to them. The Deputy is right that it is primarily a matter for the Department of Health and its Accounting Officer.

Deputy Verona Murphy: I know it is.

Mr. David Moloney: It absolutely is.

Deputy Verona Murphy: I do not want Mr. Moloney to repeat things back to me. I am asking what advice the Department of Public Expenditure and Reform has given. That money is going into a black hole. The HSE is not fit for purpose. There is no yield for the billions we are putting in. I met a little boy in a wheelchair yesterday. His application for funding for a new wheelchair sat on the desk of a civil servant for nine weeks. That boy had a neck operation but did not receive the required physiotherapy thereafter, meaning that neck operation will have to be performed again. That is counterproductive. It is an inefficient use of public moneys. What is Mr. Moloney's position and advice in that regard?

Mr. David Moloney: The Department of Public Expenditure and Reform agrees and sets the funding levels. We put in place the governance parameters and the value for money parameters around public spending.

Deputy Verona Murphy: Are we getting value for money from the Department of Health and the HSE?

Mr. David Moloney: It is a matter for the Department of Health to ensure those value for money parameters-----

Deputy Verona Murphy: Are we getting value for money from the Department of Health and the HSE?

Mr. David Moloney: That is a matter for the Department of Health.

Deputy Verona Murphy: I am asking a straight question. Mr. Moloney and I do not need to argue.

Mr. David Moloney: We absolutely do not.

Deputy Verona Murphy: Mr. Moloney and I are on the same side. He referred earlier to sustainability, credibility and transparency. Are we getting value for money from the health service in Ireland?

Mr. David Moloney: That is a matter-----

Deputy Verona Murphy: That question clearly calls for a "Yes" or "No" answer from someone in Mr. Moloney's position. Are we getting value for money from the health service?

Mr. David Moloney: It is a matter for the Department of Health to answer that question.

Deputy Verona Murphy: Mr. Moloney is in the Department of Public Expenditure and

Reform. This is a meeting of the Committee of Public Accounts. We talk about good governance, procurement and value for money. Are we getting value for money for the billions that have been spent in doubling the budget of the health service since 2016?

Mr. David Moloney: Our role is to provide the framework-----

Deputy Verona Murphy: If Mr. Moloney cannot answer that question with a simple “Yes” or “No”, the reality is that his Department is not fit for purpose. It is a straight question. Are we getting value for money from the Department of Health in the opinion of the Department of Public Expenditure and Reform?

Mr. David Moloney: It is a matter for the Department of Health to answer that question.

Deputy Verona Murphy: Mr. Moloney is obfuscating.

Chairman: The witness and the Deputy can bounce back and forward on this issue but I cannot let it go on all morning. We have had representatives of the Department of Health and the HSE before the committee on a number of occasions and will have them in again shortly. I hope we can be on the one page.

Deputy Verona Murphy: We need to be.

Chairman: The Department of Public Expenditure and Reform oversees public spending. We are trying to highlight the frustration of the public and of good people in the health services. These are people who are doing good work in the HSE and in the Department. Our health system needs a particular focus. I know Mr. Moloney wants to be careful about how he answers questions. When he speaks about another Department or other senior civil servants he is going to be careful and I understand that. However, what the Deputy is getting at, and what I have tried to get at previously, is that we are pleading with his Department, the Department of Public Expenditure and Reform, as the body that oversees and watches where the money is going, as well as the value for money, to which the Deputy referred, that a particular focus is placed on this because we have doubled the budget and yet things have actually gotten worse. That is incredible. On any international comparison, we fail in relation to health. That is a pity.

Deputy Verona Murphy: Mr. Moloney is able to come in and tell us that Benefacts is no longer a reliable entity and that we do not need it. He has established that. I am asking if Mr. Moloney has established whether we are getting value for money for our health service. That is Mr. Moloney’s role.

Mr. David Moloney: Benefacts is funded from the Department-----

Deputy Verona Murphy: No-----

Mr. David Moloney: -----of Public Expenditure and Reform-----

Deputy Verona Murphy: No-----

Mr. David Moloney: -----and it is on that basis that-----

Deputy Verona Murphy: Chair, we could be here all day.

Mr. David Moloney: It is on that basis that a decision was made.

Deputy Verona Murphy: He is very good at obfuscating. He is becoming the Secretary

General that is required.

Chairman: The points in regard to the asks of the Department have been expressed well. I call Deputy Devlin.

Deputy Cormac Devlin: I welcome Mr. Moloney and I congratulate him on his appointment.

I have been listening to colleagues' questions, some of which I would like to touch on again. I will go back to the issue of secondment of people who are from the Department of Public Expenditure and Reform and who are ensconced into other Departments. One was referenced by Deputy Murphy earlier in relation to the Department of Health. I think Mr. Moloney said the figure was 17 in his own Department and that 19 had gone out-----

Mr. David Moloney: Yes.

Deputy Cormac Devlin: I know they are across other Departments and other agencies. Is it the practice of the Department of Public Expenditure and Reform to have colleagues from its Department based in other Departments for the purpose of oversight of annual expenditure?

Mr. David Moloney: No, it is not. The purpose of a secondment is to broaden the overall career experience-----

Deputy Cormac Devlin: I appreciate and know that. It is not in every Department.

Mr. David Moloney: No.

Deputy Cormac Devlin: It is based primarily based on the annual accounts and the Department is monitoring their expenditure from the outturn versus what was estimated in the Vote or in the budget.

Mr. David Moloney: There are a number of ways of monitoring expenditure over the course of a year. There are monthly returns from the Departments on expenditure. There are quarterly reports to Government from the major Departments, from the major capital spending Departments. We have daily contact with the oversight management teams in the Department for various Votes, for various areas of spend. They would be in contact with their colleagues in other Departments on a daily and weekly basis. In some areas, we have more formal structures in order to do that, such as with the health budget oversight group.

Deputy Cormac Devlin: Those Departments that have a high expenditure include the Department of Health and the Department of Social Protection. What other ones are there?

Mr. David Moloney: The Department of Justice and the Department of Education.

Deputy Cormac Devlin: I will turn to the 2020 Vote 11 accounts and specifically to note 1: operating cost statement 2020. In one section, Mr. Moloney outlines the expenditure borne that is elsewhere, which includes notional rents. That figure is static between 2020 and 2019. Could Mr. Moloney outline what that relates to, please?

Mr. David Moloney: I do not have the table to hand, but I will shortly.

Deputy Cormac Devlin: It is on page eight, just for reference.

Mr. David Moloney: Does this refer to the issue of notional rents?

Deputy Cormac Devlin: Yes.

Mr. David Moloney: Notional rents are a figure to represent the cost of renting buildings the State owns. In our case, it is our share of Government Buildings. We also have Merrion Row.

Deputy Cormac Devlin: That is why it is a fixed rate.

Mr. David Moloney: The value put against it is fixed.

Deputy Cormac Devlin: I was going to ask how many properties there are. Is Mr. Moloney saying that it is only those on Merrion Row?

Mr. David Moloney: In terms of our own buildings, the State owns Government Buildings and the Merrion Row office. The notional rents apply to them. We are in other buildings. The costs of those leases with the private sector are represented in the Office of Public Works, OPW.

Deputy Cormac Devlin: Staying with Vote 11, section 2.3 deals with other debt balances. I assume that there are recuperable expenses. There are salaries, travel expenses, travel pass expenditure and other debit suspense items. What struck me was the difference between the 2019 and 2020 figure under recuperable travel pass expenditure. Was that primarily down to Covid-19 and to fewer staff claiming for that?

Mr. David Moloney: I would assume so, although I do not have the detail on that. It would make a lot of sense, given the year involved.

Deputy Cormac Devlin: Again, staying with Vote 11, on page 14, there is the postal and telecommunications services from within the Department. There was astronomical outturn, when compared to the figure of 2020. The provision for 2020, I presume again was in relation to Covid-19, was €22,000 and yet the outturn was €14,000. I presume the annual running of that line figure is approximately €200,000 per annum, based on the 2019 figure?

Mr. David Moloney: What I am told here is that the key change was the transfer to the new Office of the Government Chief Information Officer, OGCIO, Vote on an Exchequer-neutral basis. That explains that.

Deputy Cormac Devlin: That would explain the difference.

Mr. David Moloney: I would not have thought that the actual level of activity was that different.

Deputy Cormac Devlin: That explains that.

Let us turn to the issue of the new office. I have a question on it. Some 30% of the OGCIO's programme expenditure related to pay and that is understandable. Its next largest expenditure was on ICT services, which accounted for approximately 68% of overall expenditure. Is that an initial set-up cost and a once-off or is there an ongoing reliance on expenditure for ICT within that new office?

Mr. David Moloney: I might let my colleague, Ms O'Donohue, from the OGCIO answer that question.

Ms Mary O'Donohue: The office was established in 2013 as a division within the Department. The money that was transferred was the 2020 allocation based on what had been in the

Department of Public Expenditure and Reform Vote previously. The office is well established but we are growing in terms of the level of services we provide. This is part of the reason for separating the Vote from the main Department of Public Expenditure and Reform Vote, so that it does not skew the Vote in a particular way. It is part of ongoing running costs, as well as continuous investment into the services that we provide and deliver on behalf of others. The build once is used mainly. However, there was a build-to-share, which was predominately the investment in the *gov.ie*, the Government portal. This became prominent particularly as a primary resource during Covid-19.

Deputy Cormac Devlin: Correct.

Ms Mary O'Donohue: That is what those costs reflect.

Deputy Cormac Devlin: Since its establishment in 2013, would the ICT spend be that high on a year-on-year basis?

Ms Mary O'Donohue: It is increasingly like that. The annual budget will not increase by that amount every year. There is a baseline cost for the running and building of the services. We provide common standard desktop services. There are ongoing running costs once the initial investment is made in capital. Obviously, there are ongoing operational costs in terms of resources, ICT, etc. As for the cohort of people we service, we have gone to 5,000 users this year on our common desktop platform. We will be doubling that over the next two years. There is an efficiency in that rationalising and a cost-benefit on an Exchequer-neutral basis across all the organisations we provide service for. It will continue to grow as we deliver services and bring it under a common banner.

Deputy Cormac Devlin: That explains that. I thank Ms O'Donohue for her response.

Colleagues asked questions about pension payments. The witnesses answered some of those questions on superannuation, which is welcome. It was mentioned that there was a 3.9% increase in the number of pensions year on year. I presume that will increase further in the coming years. A colleague referred to pension numbers not being accurately predicted year on year, although I know it is difficult to do so. How will expenditure grow over the coming years? Obviously, there are estimations, so what will be the extent of growth in superannuation?

Mr. David Moloney: It is an ageing population and a growing one. I might ask Mr. Pender to discuss the details.

Mr. John Pender: Expenditure is projected to increase until the middle of the century, with probably a 5% increase in gross expenditure from the Vote year on year over the next 20 or 25 years.

Deputy Cormac Devlin: That puts it into context. I noted the reference to *ex gratia* pension payments for widows and children. The amount decreased from €303,000 in 2019 to €253,000 in 2020. What number of *ex gratia* payments have been made?

Mr. John Pender: I do not have that detail to hand, but I can write to the committee.

Deputy Cormac Devlin: Does Mr. Pender have an approximation?

Mr. John Pender: I believe the number is a couple of hundred.

Deputy Cormac Devlin: Per year.

Mr. John Pender: Yes.

Deputy Cormac Devlin: I thank Mr. Pender.

Deputy Catherine Murphy: I wish to discuss Benefacts. I will read from the conclusions of the Indecon report: “The overall benefits of the Benefacts’ service are likely to be in excess of the costs”. It also referred to a need for more specialised data and expanding on the service. Indecon’s analysis reads: “The methodologies used by Benefacts are appropriate and are in line with the approaches used in other countries.” The same report refers to the terms of reference being exceeded, which I mentioned earlier. Indecon considered whether it was a market good and talked about this being a mature market and that Benefacts could bid within a process. In that context, the Indecon report is stating that, if there were such a bid and depending on the timescales involved, the Government may need to consider transitional arrangements if the existing assets, experience and knowledge are to be maintained. Indecon’s analysis suggested that ceasing funding of Benefacts or an alternative service would reduce information that was needed for effective governance.

I do not understand how the Department can dispense with a database about which all of this is said in a report that the Department commissioned. For good governance, this information is required. I do not understand why Indecon was asked to consider the question of whether it was a market good or a public good and why the Office of Public Procurement could not have undertaken a fair and open inquiry into this.

Databases similar to Benefacts exist in other countries. Now we are moving to a point where Pobal will be asked to recreate a similar, but probably more limited, database. What is the point of that? We are discussing €6 million. I do not understand the rationale for shutting this database down. How could the Department consider that value for money?

Mr. David Moloney: I was not around for the Indecon report, but I suspect that the-----

Deputy Catherine Murphy: Has Mr. Moloney read it?

Mr. David Moloney: I have not, but I have been briefed on it. My understanding-----

Deputy Catherine Murphy: Was Mr. Moloney involved in writing to the various Departments?

Mr. David Moloney: Yes.

Deputy Catherine Murphy: Mr. Moloney wrote to the Departments without reading the Indecon report.

Mr. David Moloney: I was briefed on the conclusions of the Indecon report. I had no requirement to read it.

Deputy Catherine Murphy: So, Mr. Moloney is going to shut something down without having read an analysis that was provided to the Department.

Mr. David Moloney: Absolutely not. We need to be clear about the steps that our Department took over 20 months to see if any of the Departments that had a responsibility for these data wanted them. We asked that question over 20 months. We were aware that there were many people who used the database and we were aware that many people thought there was value in it, but when we looked to the people who had responsibility for the data and for iden-

tifying what the data needs were, none of them saw Benefacts as the answer. Perhaps it looks a little procedural to the Deputy, but from my point of view, I had a pilot scheme and it was not supposed to run indefinitely. As the Deputy rightly stated, almost €6 million had been spent on it. There needed to be someone with statutory responsibility who felt that this was value for money and was able to proceed with it, but there was none.

Deputy Catherine Murphy: According to the conclusions, the Government might have needed to put transitional arrangements in place. They speak about requiring this information for good governance. I presume that Mr. Moloney was briefed on the first couple of pages of the conclusions. All of what I have said is in those.

Mr. David Moloney: It was a 2020 report. In 2020, we engaged with the public sector users, namely, the people who developed a requirement for data. They included the Department of Rural and Community Development, the Department of Social Protection, the Central Statistics Office, CSO, and the HSE.

Deputy Catherine Murphy: Is it intended that Pobal will develop a database?

Mr. David Moloney: I do not know because that is a matter for the Department of Rural and Community Development, which is one of the groups to which we spoke.

Deputy Catherine Murphy: Has the Department of Public Expenditure and Reform oversight of any of this?

Mr. David Moloney: The decision to stop the Benefacts grant within our Vote was one over which we had oversight.

Deputy Catherine Murphy: Mr. Moloney is telling us that other Departments did not believe that these data were necessary. The Department of Public Expenditure and Reform shut Benefacts down. Now, one of the Departments that it engaged with is saying that it is interested in developing a replica database through Pobal. Nothing was put in place to keep the database populated, and databases quickly go redundant once they are not populated. How can Mr. Moloney square that circle? The other Department does not believe there is any value in the database yet it wants another one.

Mr. David Moloney: It is not clear to me what the requirements of the Department of Rural and Community Development are in terms of a database on the not-for-profit and voluntary sectors, but it is clear that they are not for Benefacts.

Deputy Catherine Murphy: I was also a member of the previous Committee of Public Accounts, and this is the first time that I have ever asked myself why the Department of Public Expenditure and Reform exists. Everything is for another Department. I do not see the big, powerful Department that I had thought was overseeing and co-ordinating. This has been a frustrating experience. If nothing else does, the Benefacts situation highlights that.

Deputy Colm Burke: Mr. Mooney stated: “I would like to update the committee on some of my Department’s priorities for the sustainable management of public expenditure and driving and supporting the reform programme.” I will touch on two issues, the first of which is the Department’s overall involvement in long-term planning within Departments. Is it the case that it is not involved? In speaking about long-term planning, I am talking about saving money for the taxpayer. For instance, local authorities undertake their five-year development plans, but the implementation of those plans is then subject to the whim of Irish Water because houses

cannot be built unless Irish Water is prepared to install services. Now the planning regulator is intervening. In order to carry out long-term planning, we need to have a 20-year programme rather than a five-year programme. Would Mr. Moloney accept that the way in which it is currently structured will result in a significant long-term cost to the taxpayer?

Turning to the health budget, the number of people working in the HSE has increased from 103,000 to more than 132,000, an increase of more than 27%. This is about saving money in the health service and whether Mr. Moloney's Department can examine such an issue. There has been a 27% increase in the total number of staff, including administrative staff, doctors and nurses, over a six-year period, but the one area in which there has not been an increase is public health nurses. If we want to keep people out of hospitals, we will need to have more people on the ground. In fact, the number of public health nurses increased by less than 4% in that period, from 1,460 to 1,523. In the interests of saving money for the taxpayer, can the Department examine such issues and decide it needs to review certain aspects of a given Department's policy, rather than wait for that Department to make a proposal to be examined? There is a considerable problem with the lack of long-term planning. Five-year plans are being undertaken by local authorities, but that no longer works because that is a very short timeframe in which to put in infrastructure. For instance, the Ringaskiddy bypass is being built in Cork, where the landowners were served notices in November 2014. Eight years later, we are only turning the sod, without even having a contract yet in place. The general structure does not seem to be working. Is the Department looking at that aspect of reform?

Mr. Damien Moloney: Broadly, Project Ireland 2040 is a long-term plan for capital and setting capital expenditure ceilings is a function of the Minister, so it is something in which this Department is involved. Project Ireland comprises the national planning framework and the national development plan. As the Deputy will be aware, we reviewed the national development plan last year, published a number of documents relating to long-term issues and agreed ceilings in that regard.

As for whether we can take the initiative in long-term issues such as workforce planning, we certainly can. We have a number of vehicles through which we often work with Departments to look at the kinds of issues the Deputy raised. For example, in this year's spending review, we and the Department of Health are looking at some workforce planning issues including the provision of nurses and doctors. Those issues are capable of being dealt with in a collaborative way and, in driving change and reform across the system, we try to work with Departments and suggest topics-----

Deputy Colm Burke: To return to the local authority issue, the planning regulator is now telling local authorities that they have rezoned too much land, and the local authorities are looking five, ten or 15 years ahead because they want to put in the water infrastructure. Does Mr. Moloney accept there is no point in putting in a 2 inch water pipe to service 50 houses if there will be 500 houses in the area in ten years? That is the kind of issue I am talking about. If the planning regulator is now controlling what local authorities are doing but if those local authorities have no say about what Irish Water does, where are we headed? It will amount to a huge increased net cost to the taxpayer.

Mr. Damien Moloney: Our Department is trying to drive efficiencies. For example, in the context of Housing for All, we engaged intensively with Irish Water, the housing delivery co-ordination office, HDCO, and local authorities in regard to where water infrastructure is. We now have a map that shows where water availability is and there is water availability for a large number of houses. Whether they are in the places where people want to build houses becomes

the next question and our long-term planning in that regard flows from that data and from that sharing of knowledge. The website is available to view. Obviously, we are not in a position to cut across the functions of statutory regulators but we are in a position to work with Irish Water and the Department of Housing, Local Government and Heritage, as we do under the umbrella of Housing for All, under which I chair the public service delivery subgroup.

Deputy Colm Burke: To return to the point I made about health, 740,000 people are now aged over 65 and within eight years, that will be 1 million people. At any one time, 50% of all the people occupying hospital beds are over the age of 65. We now face a huge logjam in the system unless we undertake long-term planning involving care in the community, yet we are doing nothing about that. Has Mr. Moloney's Department engaged with the Department of Health on that issue?

Mr. Damien Moloney: In regard to long-term planning in health and dealing with the issues the Deputy referred to, Sláintecare is the Government's long-term policy on health and emphasises the shift from-----

Deputy Colm Burke: In six years, there has been no significant increase in the number of public health nurses. Surely Mr. Moloney's Department should intervene in that scenario? I was recently contacted by a 78-year-old man who lives less than 1 mile from an office where public health nurses are based. He was in hospital for three months as a result of Covid, after which he came home. To this day, he has not been seen by a public health nurse.

Chairman: The Deputy has gone well over time, so I might tie in a related question of my own for everyone's benefit. I mentioned dental services earlier. We understand that Mr. Moloney's Department is not going to deal with the minutiae of the interactions between the Department of Health and the HSE. Nevertheless, it sanctions the large health budget every year for both organisations. Between now and whenever that budget is sanctioned, will Mr. Moloney ask them that specific question? We in the committee may disagree on many other issues, between the Government and the Opposition, but not on Sláintecare. If public health nurses are not provided and if the complement is not increased, the point Deputy Burke articulated well will be a problem.

The case I referred to related to dental services. There is no public dental service system at the moment. A contract that had been won with private dentists collapsed and, as far as I can ascertain, it has not been resurrected, in the midlands at least. Moreover, the school dental scheme is non-existent in most counties. In Laois and Offaly, it has not existed for a number of years and children are not seen in primary school or within the first three years of secondary school. Some of them leave school before any contact is made with their parents or anyone else about it. Children complete their junior certificate without having been seen by a public dentist. It has been a few years since I was in school, in the 1960s, but I recall being seen in third class.

Will Mr. Moloney ask the Department of Health why this is? I am raising this in a respectful way. We are trying to alert him to what is going on here. He will have to sign off on this budget, which I know he will do with good intentions, and we will approve it with good intentions in the House after debates and so on. We have highlighted just two examples. This is at the centre of Sláintecare. If there cannot be public dentists providing a school dental scheme, and if the point Deputy Burke made about public health nurses is not addressed, it will have a very significant impact on the delivery of Sláintecare. It is central. We are trying to keep people out of hospital. If we do not deal with oral health in children when they are young, there will be awful health outcomes, which is already the case, as doctors have told me, because oral health

is not being dealt with. We are accumulating problems for child and adolescent mental health services for children on the autism spectrum because we are not reaching children in time. Similarly, if elderly and infirm people who live at home are not seen by public health nurses or if those nurses are not available to deal with their circumstances, they will end up in nursing homes or accident and emergency units. The system is just piling up. My understanding is that other countries look at the front-line services and start building them. I have attended meetings with representatives from the HSE at which - I am not kidding - your brain would turn into jelly after an hour. You get all the management-speak and everything else but what you do not get is what they are doing to actually fill the gaps in public services.

We are trying to get Sláintecare. I understand Mr. Moloney cannot see everything that is going on. As any public representative will tell him, and I am saying this in a respectful way, the services at that end are just not there and it is so frustrating. We are held accountable by members of the public because they believe we can change things. As I said, we could fill an articulated truck with money on Kildare Street, drive it over to the Miesian Plaza, start offloading it with a forklift truck and put another €10 billion into the health service but, as things stand, it would not change matters because of how the system operates.

There are some people in the HSE trying to do good work. I meet and speak to them and they have shared their frustrations with me. The Department of Public Expenditure and Reform is the Department that signs off on expenditure. The Department of Health is the biggest spending Department. I believe its budget is bigger than that of the Department of Social Protection, or both Departments may spend around the same amount. With the Department of Social Protection, however, we can see where the funding is going. It is more straightforward. I understand health is complex and providing health services is complex. There is no perfect health system on the planet but some countries do it much better than we do. We are doing terrible for the amount of money we put into health. We are a developed country. We go around with our chests out saying how great we are doing, which is good, and that we are among the richest countries in the world. Why, 100 years on, can we not have a health system that provides a school dental scheme? That scheme has collapsed since the 1960s. There were always loads of public health nurses but there are not now, despite the increase in population. Before Mr. Moloney signs off on the budget for health, will he contact the Secretary General of the Department of Health – I am not sure if he has a direct line to the CEO of the HSE – and raise those two issues with him? I am asking him to do that as the new Secretary General.

I wish to revert for a moment to the Benefacts issue. Approximately €14 billion goes into the not-for-profit sector each year. The Benefacts database monitored that and provided information on it. It stopped because the Department of Public Expenditure and Reform was signing off on it, which meant that Department was central to the database being maintained. Despite other Departments and Accounting Officers not making a business case, is there not a business case for having that database? Less than €1 million - I believe it was €950,000 - was the biggest annual spend on it. That seems like a small amount of money relative to €14 billion. It seems that €1 million to allow politicians, journalists and, indeed, civil servants to have information at their fingertips from Benefacts is a relatively small amount. Forget about what everybody else says, including those who have said there is no business case. Does Mr. Moloney not think it would be good to have that database?

Mr. David Moloney: Clearly, it is good to have information on the community and voluntary sector. Clearly, the information we have on the sector is a lot different now from what it was in 2014. From my point of view, it was a pilot project and the intention was that it would-----

Chairman: I know that.

Mr. David Moloney: -----create data that would be usable for people. We are not the data users. We went to look for the view of the data users on that alignment. In fact, it was not about a business case. We were prepared to transfer the funding. It was about whether the relevant Departments and agencies wanted their data needs met this way or whether they wanted to explore other ways of meeting them.

Chairman: I will refer to the national broadband plan for moment. Mr. Moloney's Department took a great interest in this. I have a letter here from the Department dated 16 April 2019. Last week, I raised with the Taoiseach the monitoring of this project, about which I have articulated my huge concerns. There was a single contractor and all of the other bidders backed out. I know the reasons for that because I heard some of them and they are clear at different stages. I do not get any pleasure out of saying this, but some of the chickens are coming home to roost, including, for example, with regards to the delay in the roll-out. Eir, a private company, has a fair amount of control over the pace at which this project moves because two or three years before the contract was signed, it was able to capture those households and premises that were easiest to serve. The project is now moving into more remote areas, as a cursory glance at the map of the national broadband scheme would tell us. I saw it first four years ago and raised it with the then Minister at the time.

We know the national broadband scheme is way behind schedule. My understanding is that 44,000 homes and premises had been passed in mid-April, whereas 115,000 were to have been passed by January. The first plan was revised because of the Covid lockdown. The second plan is being revised because of Covid, even though the telecommunications sector was not prohibited from working during the 2021 Covid restrictions at that time. However, another plan was then put in place and it too has since fallen behind. By mid-April, 44,000 homes had been passed. According to correspondence we received from the Department of the Environment, Climate and Communications last week, it reckons the project is 12 or 13 months behind. It accepts that the company, National Broadband Ireland, NBI, has a case for a delay of eight and a half months. I raised this specifically with the Taoiseach last week. There is a variation and a gap here now. Penalties should apply. According to the letter from the Department, that is confirmed. I do not have the exact wording as I do not have the letter with me but that is my reading of it. I asked the Taoiseach to monitor this. Is Mr. Moloney aware of the issue and will his Department ensure that penalties are levied on NBI for failure to meet the targets? We are now on to the second revised plan, plan number three.

Mr. David Moloney: I am certainly aware of some of that progress and the reported progress against target being delayed, etc. On the specific issue of penalties, we can undertake to take a look at that with the Department of the Environment, Climate and Communications and see what its plan is on that. We have an oversight role, so we can have that conversation.

Chairman: There are huge concerns. Some of the reasons given include blocked ducts. For example, when they go out and push cables through ducts, they find they are blocked. One would expect that to happen if ducts are unused. There are issues related to Covid and how that was stretched and stretched, perhaps further than it should have been. It is the first time I have seen committed to paper that the Department has conceded there should not be a 12- or 13-month delay but a delay of eight and a half months. It uses wording around that and states that penalties should apply in this case. I said this to the Taoiseach yesterday and today I am asking the Secretary General of the Department of Public Expenditure and Reform to ensure that happens.

The national broadband plan is a very precarious and complex project. A lot could go wrong but one hopes it does not go wrong. Does Mr. Moloney's Department stand over the concerns expressed in his Department's letter of 16 April 2019 to the Secretary General of the Department of the Environment, Climate and Communications in which his Department questioned the affordability of the project and expressed fundamental concerns in relation to the unprecedented risk to the State and taxpayer? The letter referred to the project as a huge leap of faith, questioned the justification for spending scarce public funding on this scale and noted the unprecedented risk involved given that the Exchequer was committing €2.7 billion to the project, whereas the only risk for the operator was €175 million of its own funds. It also noted that the private operator would have all its moneys paid back at the point where the Exchequer had €2.5 billion paid out. The Department also said it was difficult to see how the contract represented value for money. Does the Department still share all of those concerns?

Mr. David Moloney: The letter was written in the context of there not having been a Government decision at that time so it was advice to Government in relation to a matter that was still for decision. Obviously the matter has been decided by Government and is now Government policy so our role moves.

Chairman: Does Mr. Moloney's Department still share those concerns?

Mr. David Moloney: It is Government policy. It is not for me to express concerns about Government policy.

Chairman: No. Of course it is policy whether the contract is signed off or not. Mr. Moloney's predecessor, Mr. Robert Watt, flagged these concerns with the Department at that time. Some members who were on the communications committee at that time, including myself, raised those concerns. My jaw dropped when I read this letter first back in 2019 or 2020 when we got hold of it. Does the Department still share even some of those concerns in that letter, which I have here?

Mr. David Moloney: I am familiar with the letter. Absolutely. That was the advice of the Department before the Government decision was taken. That is the advice that the Department gave before the Government decision was taken. As the Chairman will know, once a Government decision is taken our role is just to implement the decision.

Chairman: Has Mr. Moloney an idea what the likely penalty will be for the four months of slippage in the broadband plan?:

Mr. David Moloney: I do not have that, Chairman, but we will follow up on that issue with the Department.

Chairman: Please come to us with a note. The case has been made by the committee.

I thank Mr. Moloney and his team. Again, I congratulate him on his job and wish him well. I know that it is a big responsibility.

Mr. David Moloney: I thank the Chairman.

Chairman: I thank the staff of the Department, the OGP and the OGCI for the work involved in preparing for today's meeting. I also thank the Comptroller and Auditor General and his staff for attending and assisting the committee. Is it agreed that we request the clerk to the committee to seek any follow-up information and carry out actions agreed at the meeting?

Agreed. Is it also agreed that we note and publish the opening statements and the briefing provided for today's meeting? Agreed.

With the agreement of the committee, we will resume in private session after lunch to deal with some housekeeping matters before moving into public session to deal with correspondence and other business of the committee. Is that agreed? Agreed.

The witnesses withdrew.

Sitting suspended at 12.32 p.m., resumed in private session at 1.33 p.m. and went into public session at 2.17 p.m.

Business of Committee

Chairman: The business before us this afternoon is the minutes of our previous meeting, accounts and financial statements, correspondence, work programme and any other business.

The first item is the minutes of our meeting of 12 May, which have been circulated to members. Do members wish to raise any matters in terms of the minutes? No. Are the minutes agreed? Agreed. As usual, the minutes will be published on the committee's web page.

The next item is accounts and financial statements. One set of accounts was presented to the Oireachtas Library between 9 and 13 May. I will ask the Comptroller and Attorney General to address it before opening the floor to members.

Mr. Seamus McCarthy: This is the first of the 2021 financial statements that are beginning to come through. It is the Account of the Receipt of Revenue of the State collected by the Revenue Commissioners. It had a turnover of €97 billion in total. I am glad to say that it is a clear audit opinion.

Chairman: The Comptroller and Auditor General has handled that big pile of money very well.

Mr. Seamus McCarthy: That is quite a lot of money, yes.

Chairman: It is to good to hear that. Can we agree to note the accounts and statements? Agreed. As usual, the listing of accounts and financial statements will be published as part of our minutes.

The next business is correspondence. As previously agreed, items that were not flagged for discussion for this meeting will continue to be dealt with in accordance with the proposed actions that have been circulated. Decisions taken by the committee on correspondence are recorded in the minutes of our meetings and published on its web page. The first category of correspondence under which members have flagged items for discussion is correspondence from Accounting Officers and-or Ministers and follow-up to committee meetings.

No. R1232 B from Mr. Ray Mitchell, assistant national director, HSE, dated 9 May 2022, providing information requested by the committee during our meeting with the HSE on 10 March. The meeting focused on the HSE's expenditure on mental health services and the child and adolescent mental health services. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed. Deputy Munster flagged it for discussion, but she had to leave.

Does any other member wish to comment on that correspondence? Everybody is okay with it.

The next correspondence is No. R1233 B from Mr. Kevin McCarthy, Secretary General, Department of Children, Equality, Disability, Integration and Youth, dated 9 May 2022. It provides information requested by the committee regarding a timeline for the implementation of the White Paper to end direct provision and the establishment of a new international protection support service. The Secretary General addresses the impact of the war in Ukraine on that work, stating that almost 28,000 Ukrainian refugees have come to Ireland under the temporary protection directive, with over 19,000 accommodated by the State. As the Department is responsible for providing short-term accommodation to Ukrainian refugees, it has had to redeploy staff, which has impacted on some areas of the White Paper implementation process. It is proposed to note and publish this correspondence and to forward it to the relevant sectoral committee for its information. Is that agreed? Agreed. Again, Deputy Munster had flagged it for discussion.

The next correspondence is No. R1235 B from Ms Katherine Licken, Secretary General, Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, dated 11 May 2022. It provides information requested by the committee regarding the digitising of records of the Irish Land Commission. It is proposed to note and publish this item of correspondence and to request information on the timelines for digitisation of search aids from the Department of Agriculture, Food and the Marine, as well as whether there are plans to digitise all records. Is that agreed? Agreed. Deputy Catherine Murphy wishes to speak on this.

Deputy Catherine Murphy: I was probably the member who requested this. Those records are held in Portlaoise, Chairman, so you are probably familiar with the location in which they are held. There are 8 million records. They are a treasure trove. They are one part of the Land Commission records. The other part are the ones that relate to Northern Ireland and they are available to view in the Public Record Office of Northern Ireland in Belfast. They are not digitised but they are available. The matters they relate to are tenants of the land, issues around the revolutionary era, rentals, etc. They give a great deal of information and date back as far as the late 1800s.

What we are being told here is that the catalogue is being digitised rather than the records. The Department is telling us that these are very delicate records. It is dealing with the National Archives, which does brilliant work in conserving documents. However, there are two matters of concern. One is the longevity of these records in the first instance and the second is accessibility to those records, which have an important historical and genealogical benefit that we are not exploiting. We have a desperate attitude to our historical records. A load of them were burned - not by us but on our behalf - in the Public Records Office in 1922.

Chairman: Yes, in the Custom House.

Deputy Catherine Murphy: No, it was the Public Records Office in the Four Courts.

Chairman: Yes.

Deputy Catherine Murphy: The other issue is that it is only recently that the expansion has been allowed in the National Archives in Bishop Street. I visited the National Library some years ago with members of one of the committees and I was horrified at the risk at which we are putting our national collection. Money has been allocated for that since.

This is bad news in this letter in that what has been agreed to is very limited. We should write back and try to find out why it was decided and what was the methodology for deciding.

There was a big announcement not long ago about this. Why was it decided to only digitise the finding aids, as it were, rather than the records themselves? If they are that fragile, one would have thought that conservation and digitisation would be the optimum. I also do not understand why we do not see the benefit of these. Historians and genealogists have been looking for these for years.

Chairman: There is also a day-to-day practical use as well.

Deputy Catherine Murphy: I know.

Chairman: I have had to look for information in them with regard to bog plots, turf banks, plots of turf and also plots of land that were previously in the Land Commission or attached to a local estate. Turbary rights are registered in them. There are also tenant holdings, as you mentioned. There is information regarding leasehold, freehold and the like. I am open to correction on this but we should write to the Secretary General of the Department of Agriculture, Food and the Marine about it. I went to Cavan looking for records at one stage and I ended up with the Portlaoise situation. It is the first time I saw where all those records are pinned down. At least we know now that they are in place.

It would be useful as well to ask the Secretary General of the Department of Agriculture, Food and the Marine, Mr. Brendan Gleeson, for information regarding where they are stored. I believe I know the building in which they are stored and I have some concerns about retaining the quality of the documents. They are probably fragile, as you said. In addition, there is the security of the documents and their accessibility. The Department of Agriculture, Food and the Marine seems to be the responsible body, so we need to ask Mr. Gleeson in the Department to give us an outline on that.

Your point on that is that is only the index or the catalogue that is going to be nominated or-----

Deputy Catherine Murphy: We will be told what is there-----

Chairman: It is the record itself.

Deputy Catherine Murphy: -----but we will not be able to see them, even historical ones.

Chairman: The records are considerable. It is how accessible they are, the security of where they are, the building they are in and the maintenance of the documents, particularly if they are fragile. For example, if mice got into a building where there were paper records, enormous damage could be done over a period of time without anyone realising it.

Deputy Catherine Murphy: One need only look at the census records. People no longer need to go into the National Archives because they can find them online. I am certainly not looking for somebody's information from two months ago - they are closed now anyway - or from the 1990s, Certainly, with things that are historical and over 100 years old, we do not seem to understand their value and the wider value.

Chairman: Is it agreed that we ask the secretariat to correspond with the Secretary General of the Department of Agriculture, Food and the Marine about that? Agreed. I thank the Deputy for that.

I will proceed to the work programme.

Deputy Catherine Murphy: Chairman, there was one other item of correspondence that I flagged. It was No. 1230 from the Policing Authority.

Chairman: It is not on my list, Deputy.

Deputy Catherine Murphy: I thought I had flagged it. Could I speak briefly to it?

Chairman: Yes, go ahead.

Deputy Catherine Murphy: The aspect I want to deal with relates to the homicide review. It was around homicide classification and the investigation by the Garda in 2017. Essentially, this letter is giving us some reassurance that a report was published in December 2019. The letter states, “the classification did not impact the quality of the subsequent investigations undertaken [but they wanted] ... to prevent a reoccurrence ...” To be honest, what concerns me about that and the reason I wanted to raise it is there has been a recent newspaper article that makes me doubt that information. A guy, a civilian, was appointed by the Policing Authority. I am reading from a newspaper article. Mr. John Mooney wrote it but I cannot see the date. I can provide it to the clerk to the committee. The article states, “a civilian appointed by the Policing Authority to lead the GSAS after an international competition, resigned unexpectedly in 2019 shortly after accepting the role.” There had been a whistleblower. She was the deputy head of the Garda Síochána Analysis Service. She was concerned with the classification. This is fairly recent.

I do not want to accept this at face value where there are reports that indicate that there are people who are pretty much saying otherwise. There was a couple of them who refused to sign off on the report on the grounds that it contained unreliable data and who say they were subsequently excluded from compiling a report on the issue for the Policing Authority.

I will give the Chairman the newspaper report.

Chairman: I suggest, as it was not flagged, that we come back to this item, R1230, and the newspaper article in order to give members notice next week. In fairness, the Deputy is looking at it there but the members have not seen it yet. We will come back to it next week, if that is okay, and give it a proper look.

Deputy Catherine Murphy: Okay.

Chairman: That completes correspondence.

Moving to our work programme, the committee will be happy to hear the following engagements have been confirmed: the Department of Health and the HSE next week on 26 May; the Department of Children, Equality, Disability, Integration and Youth on 2 June; and the National Pediatric Hospital Development Board on 16 June.

As previously agreed, the secretariat has made inquiries about scheduling a meeting on 23 June to examine local government oversight and accountability. The following bodies have been requested to attend the meeting: Department of Housing, Local Government and Heritage; the Local Government Audit Service; and the National Oversight and Audit Commission, NOAC.

Also, at our meeting last week, members were requested to review the work programme in advance of today’s meeting with a view to prioritising engagements for the three meeting slots that remain open before the summer recess. If members have not had a chance to do so I will

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ask the clerk to the committee to contact members in advance of next week's meeting and we will decide on the engagements at that point.

There are a couple of bits there. An Bord Pleanála came up and we discussed that we would like to have it in again. Is that agreed? Agreed. We could pencil it in for one of the slots, perhaps on 30 June.

Deputy Catherine Murphy: And the hospital board.

Chairman: Horse Racing Ireland was one that some members mentioned that we would have in. For that engagement, could we mention, in particular, one item in relation to funding for Horse Sport Ireland, which comes from Horse Racing Ireland? It may come straight from the Department. I do not know what the relationship is between those two bodies. I am not clear on that. Maybe we will have a look at that. In any case, we need to bring in Horse Racing Ireland. That is two of them.

That would leave one outstanding before the summer recess. Members might come back before next week with their suggestions regarding that.

Next week we will engage with the Department of Health and the HSE. Unless there is any other business, the meeting stands adjourned until next Thursday, 26 May, when we will engage with the Department of Health and the HSE, at 9.30 a.m. Gabhaim buíochas libh go léir.

The committee adjourned at 2.35 p.m. until 9.30 a.m. on Thursday, 26 May 2022.