

DÁIL ÉIREANN

AN COMHCHOISTE UM AIRGEADAS, CAITEACHAS POIBLÍ AGUS ATHCHÓIRIÚ, AGUS AN TAOISEACH

JOINT COMMITTEE ON FINANCE, PUBLIC EXPENDITURE AND REFORM, AND TAOISEACH

Dé Máirt, 13 Feabhra 2018

Tuesday, 13 February 2018

Tháinig an Comhchoiste le chéile ag 2.10 p.m.

The Joint Committee met at 2.10 p.m.

Comhaltaí a bhí i láthair/Members present:

Teachtaí Dála/Deputies	Seanadóirí/Senators
Dara Calleary,+	Rose Conway-Walsh,
Michael McGrath,	Gerry Horkan,
Paul Murphy,	Kieran O'Donnell.
Jonathan O'Brien.*	

* In éagmais/In the absence of Deputy Pearse Doherty.

+ In éagmais le haghaidh cuid den choiste/In the absence for part of the meeting of Deputy Michael McGrath.

I láthair/In attendance: Deputy Alan Kelly.

Teachta/Deputy John McGuinness sa Chathaoir/in the Chair.

The joint committee met in private session until 2.20 p.m.

Business of Joint Committee

Chairman: As we have a quorum, we can begin. I propose that we go into private session to deal with some matters.

The joint committee went into private session at 2.20 p.m. and resumed in public session at 2.30 p.m.

Our Public Service 2020: Minister for Public Expenditure and Reform

Chairman: I welcome the Minister for Public Expenditure and Reform, Deputy Paschal Donohoe, and his officials to the meeting and I invite the Minister to make his opening statement.

Minister for Public Expenditure and Reform (Deputy Paschal Donohoe): I am pleased to have the opportunity to address the committee today. Last December, I launched the new framework for development and innovation in the public service, Our Public Service 2020. There has been much progress since the first reform programme was started in 2011, in areas including procurement, shared services and Civil Service renewal, and public service reform continues to play a key role in our development. A recent report by the Institute of Public Administration includes many positive findings. For example, our public administration comes first in the EU28 for being the most professional and least politicised and we comes sixth in the EU28 for the quality of public administration. These results are very encouraging and provide a strong foundation for the next phase of reform set out in Our Public Service 2020.

How does this reform framework differ from what has gone before? There is a greater emphasis on the outcomes of reforms and improving the linkages between reform and expenditure. There is also a stronger emphasis on innovation and on working collaboratively and working better across all of Government. There is also a strengthened model of governance, including a public service leadership board, and emphasis on the importance of digital delivery and data in achieving greater efficiency. These are all important themes and I will return to each of them in turn.

The framework itself is built on three pillars. These are delivering for our public, which includes, for example, the continued development of digital services under the public service ICT strategy to deliver improved public services, innovating for our future to support and encourage new thinking and developing our people and organisations to improve strategic human resource management to ensure the right mix of skills and tools are there to support public servants. In addition to reflecting the lessons from previous reform initiatives, these pillars were developed following an intense period of engagement with the public and public servants themselves as, ultimately, it is they who will be responsible for putting the actions in this framework into practice.

How we will ensure we are measuring our efforts and the impact they are having on the public and the country is a key question that was on our minds when designing the strategy document. We listened to the advice of the OECD on outcomes and we are moving the focus

of reform to achieving outcomes, in line with its advice and best practice internationally. The approach we have taken is first to identify six high level outcomes, which we are aiming to achieve in the public service in the long run. These outcomes include increased customer satisfaction, increased public trust, greater use of digital tools, better Government effectiveness, quality of public services and greater employee engagement. We are going to make better use of evidence and evaluation in how we assess the performance of the framework. This will help us to be more effective and efficient and to achieve our overall goal of delivering better outcomes for the public. Our vision for the future of the public service is one that is anchored in outcomes for our people and our country. With this goal in mind, the Department recently established a reform evaluation unit to focus on monitoring and evaluating the outcomes of reform as well as creating greater links between expenditure and reform.

One element of Our Public Service 2020 that I would like to highlight is the need to foster a culture of innovation across the public service. A great example of this is Service RePublic, Ireland's first public service design centre, which is a collaboration between Cork County Council and Cork Institute of Technology. Our public service has always been innovative in responding to issues that face our citizens. We want to build on that wealth of existing experience but also to draw out new innovations by creating a network of innovators across the public service to connect the right people. Globally, innovation in the public sector is becoming increasingly important as a means of meeting new challenges. It is my view that if we act in an innovative way we can develop different solutions that are both cost effective and citizen-centred. Public service organisations need new ways of thinking, new ways of interacting with citizens, and new ways of gathering and using data to keep up with a rapidly changing *status quo*. Our Public Service 2020 will be key in achieving this. Looking to the future, we are going to work with stakeholders nationally and internationally to establish a bespoke strategy to better embed innovation in the Irish public service.

It is sometimes easy to forget how the public service plays a role in many aspects of our everyday lives. This is why improving them remains so important. We compare very well internationally in digital services, but moving more services online is a goal of Our Public Service 2020. This will be achieved under the ICT strategy. We also recognise that not all services should be digital and that not everyone can easily access digital services. This leads me to an important point, which is that we need to be better at listening to the public and understanding their needs to be able to deliver real and targeted service improvements. To do this we need to communicate more simply with the public. A good example for others to follow is HSELive, a new health information service launched in September.

To really make change happen we need to work together. We need to be able to respond to challenges. The local community and development committees, for example, provide for collaborative and co-ordinated responses to local issues throughout the country. This strategy aims to deepen this collaboration. This is something that will have an effect on the success of many of our shared strategies, which Our Public Service 2020 sits alongside.

There are huge opportunities to do more with data. As the committee may be aware, we are already leaders in the area of open data. Recently, we achieved first place in the European Commission's open data maturity assessment for 2017. This is a great result, but we need to encourage all public bodies to open up their data. Open data creates opportunities to exploit data in new and innovative ways, especially as more data becomes available. It also helps us to achieve greater transparency and accountability in Government. We want to make better use of data. This will support better decision-making and improve services and access to services.

I suggest all of this because we all take great pride in the work done by our public servants. Their continuous development is very important for the delivery of the strategy. To oversee all of this, we have developed and will launch a public service leadership board. This will include Secretary General or CEO participation from across the Civil Service and a broad range of public service organisations. I see this as being a really important forum for moving forward on public service reform.

I will now give the committee an update on legislation and where we stand on various matters. The committee will recall that we are trying to progress the Public Sector Standards Bill and the data sharing and governance Bill. Committee Stage of the Public Sector Standards Bill took place in April 2017 and the briefing requested by the committee was provided. The Bill aims to significantly enhance the existing framework for identifying, disclosing and managing conflicts of interest and minimising corruption risks, to achieve a shift towards a more risk-based system of compliance. The Minister of State, Deputy O'Donovan, is taking the Bill forward and he has had meetings with Fianna Fáil, Sinn Féin and local government representative groups on the issue. In light of the public interest in implementing the Mahon tribunal recommendations, and the central role of this Bill, I ask that the Committee Stage of this Bill be completed promptly.

The data sharing and governance Bill is another priority. We need to deliver more digital services and we need to ensure that public bodies share data in a manner that complies with the enhanced data protection regime under the forthcoming general data protection regulation. The purpose of the Bill will be to promote and encourage data sharing between public bodies by providing a statutory framework for data sharing for legitimate and clearly specified purposes that are compliant with data protection law. We also need to improve the protection of individual privacy rights by setting new governance standards for data sharing by public bodies. Work is well advanced on drafting the Bill and I expect it to be published in the first quarter of this year. I would appreciate the committee's support on that Bill.

In addition, real progress has been made in several areas of different legislation such as the open data initiative, freedom of information legislation, the introduction of the lobbying register and the system for the making of protected disclosures. My Department provides support and guidance to assist the implementation of these measures.

The context in which we provide public services is becoming increasingly complex and challenging. It is very important that we support better collaboration, innovation and joined-up approaches across the public service. We have designed Our Public Service 2020 with this to the forefront of our minds. Ireland has come a long way and we have seen a great change in our economy but the world is continuing to change and is doing so fast. Today's uncertain and unpredictable global environment poses many challenges, but also opportunities, for Ireland. This strategy will help our public service to be better able to prepare for this.

I thank the Chairman for the opportunity to make this presentation and I look forward to any questions and comments from the Chairman and the committee.

Chairman: I thank the Minister.

Deputy Dara Calleary: I welcome the Minister and his team. I apologise in advance as I must leave at some stage to go to a meeting of the Committee on Budgetary Oversight.

I join with the Minister in paying tribute to the public service in all its guises. I believe there

have been huge changes in recent times under very difficult conditions. Senator Conway-Walsh and I have seen at first hand the manner in which the service responded to the tragedy this time last year at Blacksod and the search operations for the Irish Coast Guard helicopter, R116. The cross-collaboration between many different agencies made a very difficult situation a lot easier for the families. That group was acknowledged this weekend at the Mayo awards but there has been huge improvement right across the service in very difficult situations.

I will now tease through a number of the issues within this document. The Minister suffers from his party's tendency to be choosy in what he does and does not remember pre-2011. There was considerable public service reform under way pre-2011 also. The Minister speaks of developing our people and organisations as one of the three pillars. How can we develop people and organisations when currently there are different pay rates for people within the public service who are doing the same job? The Public Service Pay Commission is engaged in a process of addressing pay equality. It is the one issue that is affecting morale and cohesion within the public service. There needs to be a greater sense of urgency about the matter.

On human resource, HR, practices within the public service, action No. 12 in Our Public Service 2020 is to "Embed strategic human resource management in the public service". Is the Minister happy that HR management is best practice within the public service currently and is most relevant to working lives and those who seek to work in the service in 2018 as opposed to another time? Leaving the pay issues aside, have we a service with HR practices that are more responsive to people who may wish to take career breaks or travel breaks and so on? How many vacancies exist within the public service at present and is there an area that gives concern to the Minister with regard to an inability to fill vacancies?

The Minister referred to innovation a lot in his speech, but the reality is that the Department of Public Expenditure and Reform is also the lead Department for procurement. Innovation is irrelevant to people if they cannot access broadband. Many of the public services that are offered, especially those such as Revenue's online service, are inaccessible if a person does not have broadband. The Department of Agriculture, Food and the Marine is pushing everybody towards online applications but a farmer working in agriculture is more than likely to not have broadband. A dog's dinner has been made of the procurement process around broadband. As the lead Department for procurement, does the Minister think it is appropriate that there is only one bidder for such a major project? How will the Minister marry the ambition for innovation within the public service and public service users' inability to access those services online?

On the issues of bullying and harassment within the public service, I have recently submitted a series of parliamentary questions. There are quite a number of claims in some Departments and very few in other Departments. Is the Minister confident in the consistency of application of bullying and harassment policies in all levels of the Civil Service and the public service? Is the Minister confident that the skills are there at line management level to manage this? Given recent publicity around all sorts of allegations, does the Minister have any plans to change policies or refresh policies within the services?

Deputy Paschal Donohoe: I thank Deputy Calleary. I acknowledge the significant amount of work that happened on public service reform in the pre-2011 period. I am aware that Deputy Calleary, in his previous ministerial position, played a big role in that. I acknowledge the quality and quantity of work that went on across that period.

I will now turn to the five questions put to me by Deputy Calleary. The first question was about differential pay rates. The Deputy is aware that we have a process under way now princi-

pally between the teaching unions, the Department of Education and Skills and my Department on this matter. Due to the agreement achieved between the Department of Education and Skills, my Department, the Teachers Union of Ireland and the Irish National Teachers Organisation, the current starting salary for a teacher is approximately €34,500. I am aware that on pay curves, there are outstanding matters between the teachers' unions and the two Departments I have mentioned, including my own. Under the terms of the public service stability agreement, we are meeting those unions to see if there is a way of moving the matter forward. Because he has as much experience of these matters as do I, the Deputy knows that one cannot move forward an issue around pay rates in one part of the public service and pretend that every other part of the public service will not expect the same change to happen for them. While this issue is principally crystallised around teachers at present, any change we make in new entrants' pay rates or in salary curves will then be immediately required and demanded by every other part of our public service and Civil Service. This is one of the challenges we have to work through in dealing with this matter.

The Deputy's second question was on the current HR practice within the Department. It is my sense that we are making progress with it. In the two years I have been involved in this work I have seen the accelerated professionalisation of the HR role within individual Departments. We also have a chief HR officer located within the Department of Public Expenditure and Reform who works across the board with all of his or her counterparts in every other Department. The progress we are making around mentoring and the mobility of roles has been enabled by the gradual upskilling of HR departments. We have further work to do. From engaging with the Public Appointments Service and the Public Service Pay Commission I am aware that one of the skill sets most in demand across our entire economy currently is for people who work in HR. It is increasingly seen as being a very valuable part of any organisation, be it in the public or private sectors.

The Deputy asked about vacancies in the public service. I will come back to him with any information we have across the totality of the public service. I do not have that information with me today. My experience from dealing with this issue is that more of our difficulties tend to accumulate at the retention end than they sometimes do at the recruitment end. The retention difficulties we have tend to vary by grade and part of the country. I will ensure we come back to the Deputy if we have any vacancy data to share.

On the Deputy's fourth question on innovation and broadband, the changes that have now happened with the number of participants in the broadband process are a consequence of many occurrences, one which has been that we have had a very demanding and rigorous process. I am very confident that while we have one participant, the final decision on a business case and the management of risk between the State and a participant will protect the interests of our taxpayers, while also recognising the fact that broadband is seen in virtually the same way as any utility. People look at it in the same way they look at electricity or water and expect to have much the same connectivity as cities and other areas with a high level of broadband.

On bullying and harassment, the Deputy is right and we have shared the information in reply to parliamentary questions already. As to whether I believe there are any outliers as to how HR practice has been implemented, I do not. From attending dignity-at-work initiatives and from engaging in the seminars that led to the publication of our public service 2020 plan, I got a real sense that dignity at work and looking after employees is being taken as seriously as one would expect. As is the case with any workplace, the moment one assumes one is doing a great job in this area, one takes a step back. Anybody who is subject to any form of harassment,

whether it is bullying or sexual harassment, is already in a vulnerable place in the workforce. As employers, we must always challenge ourselves to see whether we are reaching out to them well enough. As such, while I believe we are doing what the Deputy would want us to do, we are never complacent.

Chairman: As all members have offered, I ask the committee to be conscious of the time. We finish at 3.30 p.m. I call Senator Conway-Walsh.

Senator Rose Conway-Walsh: The first thing I want to ask the Minister about is the general data protection regulation, which he mentioned only in passing. This is a hugely important piece of work but it is being pushed through the Oireachtas, which is a mistake. Within the Seanad, we had a one-week turnaround from publication to discussion of the Bill. It deals with really important and substantial stuff. There were some 95 heads of the Bill and there are 162 sections. The Minister has known all along about the May deadline. As such, why is this now being pushed through at such a rate and without people having sufficient time to scrutinise it? I am afraid that public servants will be left to deal with all of this. Even experts around the Bill have said it is not right and that there is a lot more to be done. There is a bizarre set of exemptions and exclusions from the processing of special categories of personal data. They have said the Bill is unworkable. I am afraid that we are giving the public service unworkable legislation and expecting it to work with that. I am also concerned with the level of privatisation within the public service and what that implies for the amount of personal information foreign private companies will have on people. I am thinking about JobPath, Intreo and other services which are tendered to private foreign companies. How will we control that and is the Minister concerned?

Deputy Paschal Donohoe: It is not our intention to rush the Bill through. The Senator is right that it is a lengthy item of legislation. As to why it has taken until now to bring it to the Oireachtas, it went through pre-legislative scrutiny in the committee at some length. There were many hearings on it. When I took over as Minister for Public Expenditure and Reform just under two years ago, the Bill was about to begin pre-legislative scrutiny. As such, it has been working its way through the Oireachtas for quite some time now and it is not at all our intention to rush it in any way. I am interested in why the Senator referred to “foreign” companies. I would have assumed her concern would apply regardless of whether it is a foreign or domestic company.

Senator Rose Conway-Walsh: It would but if we are looking at Brexit and then at something like JobPath, the companies to which the service has been tendered out will be outside the EU once Brexit takes place. That worries me greatly.

Deputy Paschal Donohoe: We have to bear in mind that in a post-Brexit environment there will be Irish companies in new international markets working very hard to win business as a result of the negative effects Brexit will have. I am just curious to see why the Senator feels we need to distinguish her concerns purely in terms of foreign companies when one bears in mind that there will be other jurisdictions referring to Irish companies as foreign companies also. As we get through all of the debate that is going to ensue on what a post-Brexit Irish economy will look like, we need to use that kind of language with care.

Senator Rose Conway-Walsh: I am deeply concerned. One of the reasons for that is the secrecy and lack of transparency around the original contracts in the first instance. We have tried and tried to get information and are continually fobbed off with assertions that commercial sensitivity applies. We do not know. There are very vulnerable people in the community whose

personal data are given to these companies in circumstances in which we cannot see the detail of the contracts. I am surprised that does not worry the Minister.

Deputy Paschal Donohoe: I did not say at any point that it is not of concern to me. I am challenging the Senator's language. She should bear in mind that Irish companies will be going abroad looking for new business in the context of what is unfolding in the UK. I would have thought she could appreciate the need to be sensitive to the fact that we have Irish companies tendering for international business at the moment. If we are going to talk about the application of law, it is the application of law that applies equally to all companies.

As for the tendering process, the Senator is right that there are certain forms of information and certain parts of contracts that are not revealed publicly. The reason is that we are involved in multiple tendering processes every day of the week. If we begin to indicate to people involved in those processes what prices we are gaining for the supply of services, we will undermine our ability to deliver good value for the taxpayer. Any information that has been shared or stored, regardless of whether it is by an international company, is subject to Irish law regarding how that information is looked after. Notwithstanding concerns the Senator may have and while it is great to hear she is clearly engaging with what is very important legislation, the Bill we are looking to bring through is about how we can better regulate the sharing of information better between public service bodies.

Senator Rose Conway-Walsh: That is why we should take as much time as is needed to get it right, ensure that all aspects are covered and take Brexit and other external factors into account.

Deputy Paschal Donohoe: I agree with the Senator. Given that our party and the Independents who form Government are not in a position to control a majority in either the Dáil or Seanad, we must make agreements with the Business Committees of each House regarding the time that is available. From my point of view and that of the Minister of State, Deputy O'Donovan, we are certainly not looking to push anything through. If we were, we would not have the power to do it. This is a Bill which has been subject to extensive pre-legislative scrutiny. I stand to be corrected but I think we have even received a report from this committee about it during the tenure of the current Dáil.

Senator Rose Conway-Walsh: I realise we are under time pressure. I have many questions but I will focus on the evaluation of the local community development committee, LCDC. Will it be a 360 degree evaluation regarding people who made initial expressions of interest in the Leader programme or other such programmes and then decided not to go ahead or who dropped out during the 18-step process involved in it? One of the case studies referenced by the Minister related to LCDC structure and its merits in terms of the collaboration involved. I would say there are many weaknesses within that process. When will that evaluation be done? Will there be an opportunity for people to feed into the terms of reference for it?

Deputy Paschal Donohoe: We have not yet set a date as to when the LCDC structure will be reviewed. I imagine such a review would be instigated by the Department of Housing, Planning and Local Government but I can talk to the Minister, Deputy Murphy, and find out the Department's timeline for reviewing it. I have considerable experience of the operation of the LCDC structure within parts of my constituency. There are ways in which it has made a big difference in terms of having representatives of many organisations and entities around the same table. However, as with anything, I am sure there are ways in which we can improve it. I will talk to the Department of Housing, Planning and Local Government and find out its plans

for doing that.

Deputy Jonathan O'Brien: I have one question for the Minister as I have to attend a meeting of the Committee on Budgetary Oversight at 4 p.m. With respect to having better services and better engagement with the public and the movement to online services, there have been some good initiatives in that part of the reform. For instance, the waiting period for the processing of applications for Garda e-vetting has reduced from five months to 80% of them being processed in fewer than five days. The service has been streamlined and there are fewer steps involved. The initiative around SOLAS and the education and training boards about centralising the availability of courses has been positive. There is the potential to improve services in other areas but the implementation process is lacking somewhat. An issue has arisen in our constituency offices concerning the submission of applications for medical card renewals online. Some people are not familiar with using that system. Also, the uploading of additional information can only be done if one has access to a scanner and can scan the documents, which is creating some difficulty for people and it is also creating delays. Many more people are coming into our constituency offices asking us to submit their documentation, which is fine, but there are other people who may not do that and may be falling between the cracks.

We have also experienced some difficulty with the system introduced for the choice-based letting scheme. It is a good scheme and offers much more transparency to people in terms of the bid for a particular house. The difficulty relates to people who do not have access to that type of technology. The local authorities are providing space within their own offices for people to go in and bid but we find many people are not using it because they are not familiar with the system and the supports in place. We have also found that some people do not have the necessary literacy skills to access the programme. There are positives with the changes but there are also potential pitfalls. The Minister spoke about listening to people and I wonder how that process works. How is he getting feedback on all these processes to see which ones are working very well and which ones have the potential to work very well but need some tweaking? Will he comment on that aspect?

Deputy Paschal Donohoe: I agree with what the Deputy said. It was good of him to acknowledge the fact that we have managed in recent years to make better use of digital technology in the number of different ways we provide public services. I take his point that it is not working as well as we would want in a number of other areas. From my experience of representing a constituency that relies a great deal on the services the Deputy referenced, I am aware we need to make sure we do not get to a point where digital exclusion would overlay all the other forms of exclusion people experience. I do not want to see that happen. As to how we will address that, I made reference to the fact that we are convening a public service leadership forum. The Civil Service group we have comprises representatives of Departments very much involved in running the day to day business of government such as what happens in Cabinet, how we deal with the implementation of the programme for Government and so on. However, the public service leadership group will consist of representatives of Departments and local authorities and senior leadership in the HSE and in An Garda Síochána. I would like to use a body like that one to share best practice on where we are doing well digitally and where we are not doing well and basically to make sure different parts of Government talk to each other about this. That is how we would like to do it. We are doing well in some areas but we can do better in others.

Deputy Jonathan O'Brien: We met the Minister of State, Deputy O'Donovan, and we are eager for the Public Sector Standards Bill to progress as quickly as possible. We are fully sup-

portive of it. Other people have some issues with some sections of it but we are eager to work with the Minister of State to get it done as quickly as possible.

Deputy Paschal Donohoe: I appreciate that. I know from talking to the Minister of State, Deputy O'Donovan, that in dealing with legislation as important and as sensitive as this Bill, we appreciate the support of any party for it. We are eager to see if we can get to a place where we have the support of the majority of parties and politicians in the House. It is a Bill that is all about our profession, how it is regulated and what we are all meant to do. Given that, it would be great to continue the work that is under way to see if we can get cross-party support on it to move it forward. The Minister of State, Deputy O'Donovan, has talked to a number of parties and Oireachtas colleagues and he is engaging also with the local authorities on it. I hope we can get it wrapped up soon.

Senator Gerry Horkan: I thank the Minister for his opening remarks. On the Public Sector Standards Bill, I understand Deputy Dara Calleary has been working very well with the Minister of State, Deputy O'Donovan, on it. I want to put on record some of the discussions we have had here with both the Association of Irish Local Government, AILG, and Local Authority Members Association, LAMA, who felt the initial reporting requirements under the legislation were very onerous for people who are basically on part-time salaries. The Minister will know about this as he deals with councillors in his area, across the country and in his party all the time. It is very onerous for people who are effectively one-person operations dealing with all their own emails to be regarded as the equivalent of Cabinet Ministers in terms of the reporting requirements and what they can do and cannot do. Many people serving on local authorities might happen to be an auctioneer, chartered engineer, surveyor or planner and that could very much heavily impinge. They should be transparent and upfront and should not be in any way abusing anything they are doing, but sometimes there may be unintended consequences. One of the requirements is that one must disclose all one's cash balances. If one has shares in a business that is related to what one is doing or if one owns land in one's local authority area, that is relevant, but I am not sure a person's cash balance in a bank, whether it be €50, €10,000 or €20,000, is relevant to their decision making. Revenue has access to do that anyway, therefore, I am not sure why everyone has to report all their cash balances to the Standards in Public Office Commission, SIPO. That requirement may have been removed but I would have a concern about it.

With regard to data sharing, the public services card is a very good card. Many people I know use it and use it very happily. It has a huge amount of merit but perhaps the way it was rolled out and its implementation led people to be a bit more suspicious about data sharing than they otherwise might have been. We need to be careful when we are trying to bring people with us and I mean that right across the political spectrum. Most of us embrace technology as much as we can and as far as we are able to. I think the Minister might have been Minister for Transport, Tourism and Sport when the Leap card was introduced. Things like the Leap card have been great. Revenue Online is excellent while Passport Online is very good but, equally, there are other elements of technology that frighten people in terms of how they are being monitored and tracked and we need to allay their fears as best we can. It is not about bullying people. There may have been a better way of approaching it than suggesting that a person cannot have something if they do not do something.

I am supportive of the digital agenda and technology but, as Deputy Calleary and the Minister said, we need to look at broadband as if it was running water or electricity. I remember being the chair of the Southern and Eastern Regional Assembly, which was under the Minister's

remit. Certainly the Department of Public Expenditure and Reform was in charge of regional assemblies at one stage. There were 53 councillors in the room from Fingal to Clare and further south. Half of the room said nothing because they had broadband while the other half had no broadband. They were driving up to hotels or coffee shops where they could get free Wi-Fi to pay a bill or download their emails. If we are asking people to embrace technology, we must give them the tools to actually harness that technology.

In respect of public sector reform, the public sector is obviously much bigger than the Civil Service and we acknowledge that. I speak as somebody who has been chairman of a school board for nine years and a member of school boards for 15 years in south Dublin, an area with which the Minister would not be very familiar. There is a crisis in staff recruitment but there is also a crisis in staff retention, particularly in Dublin. I am sure the Minister is aware of it in his own constituency. If somebody who gets a job in Dublin all of a sudden realises that the same job is available down home in Limerick, Offaly, Longford or somewhere else where property prices are much more affordable, they will be gone. It is even more difficult to retain staff such as qualified teachers in Dublin than anywhere else in the country because of property prices, regardless of whether they involve rent or trying to get a mortgage. I am not suggesting a London weighting concept but we do need to look at the fact that a primary school teacher in a rural area and a primary school teacher in south Dublin are getting the same money but their disposable income at the end of the week or month is hugely different. That needs to be acknowledged.

Equally, while Luas is not a public service in one way, it is effectively a public piece of infrastructure being run by a company under contract to the State. The Minister knows that the Luas is not working the way it used to work. It is massively under pressure. I know people who were trying to get on in Dundrum who are now going out as far as Sandyford to cross the tracks and come back in. I know of one person who sat and watched six trams go past and eventually got on the seventh one where it was like a train in Japan with people were stuffing passengers in. It is important that we acknowledge good public sector reform but, equally, we need to make sure we have the capacity to deal with things. People are willing to embrace public transport. It is there and it is excellent but at peak times and even at off-peak times at the moment, it is not delivering the way it used to deliver and we need to acknowledge that in this module.

We also need to look at service delivery. Restaurants, coffee shops and cinemas will open when people want to be there. Perhaps local authorities should stay open one evening a week to allow people who are at work to access services. Recycling centres are open from 8 a.m. to 4 p.m. every day but they are not open past 4 p.m. so people at work might get to them at the weekend if they are lucky. We need to embrace those kind of concepts as well in terms of offering a quality of service to people.

I know our planning system is not the Minister's responsibility but, ultimately, as Minister for Public Expenditure and Reform, he is looking at the entire public service. There are excellent planners and excellent people who are trying to work with very outdated and unwieldy legislation. If we are trying to deliver houses and pieces of infrastructure, we need to look at our planning system and make it easier for people to apply or object but we need to expedite the decision-making process far more quickly regardless of the outcome.

Deputy Paschal Donohoe: I will put the Senator's points into different groups. With regard to his concerns about the obligations the legislation will impose on local authority members, I know the Minister of State, Deputy O'Donovan, met a number of Senators about the matter and has also met the local authority representative bodies. He is listening to what they have said and we are going to see whether there is any way we can meet the needs that have been identified.

With regard to what I want to see happen in local government and in the Dáil and Seanad, we need a composition of people working in our political system that reflects our economy. We need people in local authority chambers who pay rates and we need people in the Dáil and Seanad who have worked in the private sector. If we get the balance wrong, particularly at local authority level, between the requirements people must meet and the time available to them to do it, it will be a further impediment to attracting new kinds of people into political life. I heard of one local authority chamber recently, which I will not name in case I get the exact data wrong, of which it was said that one only member was a ratepayer. That is a real concern for me. We need to have a mixture of people in public life.

I hear what the Senator is saying about the public services card and as it has moved into heightened public awareness, I am certainly aware that we need to respond to those kind of concerns very visibly because the entire purpose of having this card is to get ourselves to a point soon where someone will only have to give their information to the State once and will then be able to access a set of different public services all at the same time. People will really value that when it happens. With regard to how we rolled it out, I guess if we had tried to roll it out in a different way, probably three million of them would not be in circulation now. The card was rolled out in a way that, up to last summer, was quite orderly and of which people were supportive. Since then, I certainly acknowledge that we must respond very publicly to the different issues that have been raised because I want to see those cards become an accepted part of how people access public services just like Leap cards, which have been a great innovation.

I touched on broadband when I responded to Deputy Calleary. With regard to teachers, Senator Horkan is right to say that we will not be able to bring in a form of allowance for people on the basis of where they work. We are carrying out work with the Public Service Pay Commission with regard to recruitment and retention in our health service. It will be interesting to see what data that yields in terms of dealing with the point raised by the Senator because if it was to apply to teachers, it would also be pretty likely to apply to people working in our public services in health.

Being able to get the Luas is quite a novel and recent experience for me because it has now arrived in my part of Dublin. I know that during the next while, we will need to provide longer Luas carriages and more carriages. It is the benefit and consequence of more than 2 million people being back in work but on the other hand, we do not want people standing for an entire 30-minute journey given our investment in Luas; we clearly want it to be a better experience for people and I am aware of that.

On the point the Senator made about local authorities, this is something I want to look at under the public service stability agreement now that the agreement has been ratified. Our local authorities should be open for one night per week. People should be able to go into them. I know from talking to local councillors that one of the many reasons someone cannot be a local councillor while keeping a job is because all of the meetings happen during the day. I remember how when I was a member of a local authority, and I had a very supportive employer, it still got to the point where I had to take holidays to go to meetings. I could not have had a more supportive employer. I am of the view that not only for people who rely on public services but also members, we should be able to get to a point where the offices are open for use one night per week. In the parts of Dublin with which I am most familiar, the recycling centres are now open on a Saturday morning and the use of them has increased exponentially. People just need one opportunity during the week. If it cannot be night time, then a weekend slot should be available to be able access a service like that. That happened in several of our local waste depots and has

made a significant difference.

Senator Kieran O'Donnell: I welcome the Minister and his colleagues. This is a fine document and it must be acknowledged that 90% of the actions in the second plan between 2014 and 2016 have already been implemented.

When before the Seanad recently, the Taoiseach said that everybody loves reform but few like the change that comes with it. The Minister is setting up a unit to focus on monitoring and evaluating reforms, as well as creating greater links between expenditure and reform. It seems like a good concept. What format will the reform evaluation unit take? How often will it report? Will it be resourced? Will the Minister elaborate on where he sees this going?

Deputy Paschal Donohoe: We will formally report at least once a year. We will publish a paper to state how we are doing versus the indicators in the paper. Within the Department of Public Expenditure and Reform, there will be a small team whose job will be to pull this together each year and publish it.

Senator Kieran O'Donnell: Perhaps I should already know this but, in the context of developing people in organisations, is there any arrangement whereby individuals in the public sector can be seconded to the private sector and *vice versa* in order that synergies might be created? I come from the pure private sector, as does the Chairman, and I was self-employed for many years. Very few of our peers have gone into politics. When one is self-employed, it is difficult. We have to look at changing the position in this regard over time. Could a policy be developed whereby a person working in a Department could be seconded to industry for a year to ensure a synergy of ideas between the public and private sectors?

Deputy Paschal Donohoe: We do not have a formal policy on that currently. In the context of the work we are doing, it is a matter at which we could have a look. The one watch-out we need to have is that if one moves beyond a certain level in the public services, one could well acquire knowledge and a skill set that would be of greater value to an employer on the other side of the table. That private value could be greater than the public value we get by allowing that mobility to happen at middle to senior management level.

Senator Kieran O'Donnell: There has to be a balance.

Deputy Paschal Donohoe: Yes, there is a balance. That said, what I have seen happen at assistant principal, principal officer and Secretary General level is that a number of individuals leave the public service, go through whatever cooling-off period they need to - if they need to but most do not- then go to work in the private sector and come back again. I have seen that happen most in the areas of international taxation, the Revenue Commissioners and law. We have a growing number of people who would have worked in, say, an accounting firm or legal firm, got to a particular point in their careers or lives and then wanted to work in the public service. We benefit enormously from that.

Senator Kieran O'Donnell: Historically, the private sector benefited enormously from people from the Revenue Commissioners going into private work.

Deputy Paschal Donohoe: The flow going in the direction of the public service is a significant help to us. I am eager to look at how we can deepen that. Getting private sector people, who are at a point in their careers where they want to work in a different environment, is helpful to us in the context of certain specialised roles.

Senator Kieran O'Donnell: The issue of duplication of services between bodies and Departments comes up with the public all the time. I do not know if it is a myth or reality but it is probably somewhere between the two. Has duplication within Departments been factored into the framework?

Deputy Paschal Donohoe: No, not in the terms of the provision of public services. Where it has come up is in the duplication of providing information. While it is not the key issue, it is up there near the top in terms of citizens asking why they have to provide all their information, for example, for a SUSI application when the Department of Employment Affairs and Social Protection has it already. That is a matter in respect of which the public services card will play a role. The step beforehand, when getting the card and the standard authentication framework environment, SAFE, registration, allows one to establish a single digital identity. We will get to a point that for a growing number of public services, a person will only need to provide his or her identity once. When that happens, it will be a breakthrough moment in how we respond back to citizens.

Chairman: I have several questions.

(Interruptions).

Chairman: Someone's mobile telephone is going off and causing interference.

Deputy Paschal Donohoe: I do not bring my phone in with me anymore.

Chairman: Members should take example.

(Interruptions).

Chairman: I accept that there has been considerable ongoing change in the Civil Service and the public service. Some of that change has been forced on the organisations involved. Accordingly, I agree with some of what the Minister said. However, there is a significant amount with which I simply cannot agree. For example, the Minister spoke about public services anchored in outcomes for our people. If one looks at the outcomes for our people, I have to point the Minister to procurement, a debate which has gone on here for as long as I have been a Member of the House.

One of the issues regarding procurement is the ongoing complaint that small and medium-sized enterprises, SMEs, find themselves at a disadvantage because of the procurement process. Even in the construction of houses, when companies go through the tendering process, they will point out there are few construction companies which can point to a turnover of €8 million, €2 million or €10 million over the past several years because they were simply not in business. In turn, this excludes many smaller companies.

This morning I discovered that Kilkenny County Council gave out a large contract to a contractor. However, the contractor is paying a main subcontractor but all of the subcontractors to that main subcontractor are not being paid. We will witness a significant amount of money being lost to the SMEs in that area. I know we will never get to a perfect position but that is far from satisfactory.

In the context of the impact of what we do in the House on the people we represent, one need only look at the tracker mortgage issue. Last week, we had to take the unusual step of writing to the Minister regarding Permanent TSB because of the manner in which it conducted itself at

a committee meeting and the way in which it is treating its customers. It was not my decision but one made by all members. Permanent TSB is a State-owned bank in which this type of behaviour is ongoing and we are having little satisfaction with it.

The other issue relative to that is that vulture funds are now purchasing large blocks of commercial and residential properties. The individuals involved have absolutely no protection. The Minister might point to the protection that travels with the loan from the originating bank and so forth. However, it does not happen that way. Again, there was cross-party commentary that it is just shocking to see how the vulture funds are behaving. What I was hoping in terms of reform - members probably share this - is that in some way the vulture funds and their representatives that are regulated entities would be forced by legislation to come before committees of this House, especially this committee, because of the fact that they are ruining the lives of people and giving them no chance whatsoever, having themselves got the opportunity to rebuild their balance sheets because the taxpayer forked out €64 billion or some such amount in supports. My question on this part is whether the Minister will bring sufficient pressure to bear on the banks in which we have ownership to ensure they do not sell to vulture funds and that where loans are owned by vulture funds at least the regulated entities would be forced to come before the committee of this House? We have a report in draft form which we are sending to the Business Committee because we want all of this debated in the House and we are making arrangements for that to happen. It is a cross-party initiative to bring some sort of fair play into a market where people are blackguarded left, right and centre and they are looking to us for the answers.

Recently we passed legislation on water charges. I understand the agreement was that the Comptroller and Auditor General would hereafter audit Irish Water. Will we see such legislation come before us shortly?

A report was available on community banking. The committee is setting out to bring about a meeting of stakeholders here, including the Sparkassen bank from Germany. We will visit that organisation in due course. We want to know when the report will be available and what the Government's view is on the report.

The Minister mentioned the Top Level Appointments Commission, TLAC, and the other group in terms of overseeing the ongoing improvements. Is there any way he can tilt the balance in favour of independent oversight so that one gets people who are independent of Departments to look at matters? Too often in this House I have seen organisations examine themselves. They look internally so one does not get a clear, independent view. The time has come within the Civil Service and the public service to have such oversight.

In terms of the provision of services directly to the people we represent, we cannot stand over what is happening in the Garda and the HSE. Every time we ask about financial matters, in particular in those organisations, we are told that there are so many reporting systems rather than just one that they find it difficult to know what is happening.

We all saw on television the report that monitored maternity units in hospitals over five or ten years ago, yet it has taken us a significant amount of time to come to the point of publicly acknowledging it but not having a plan to deal with it. That reflects badly on the management of our systems. We have management within the HSE, the Prison Service and the Courts Service causing enormous pain for the people we represent. Those areas should be prioritised.

Finally, I wish to touch on the question of bullying within the Civil Service and the public

service and protected disclosures. It is appalling how whistleblowers are treated within their organisations. I am not talking specifically about Maurice McCabe. I know many others. I know people within the education sector that are out on sick leave because they could not take any more, having made a protected disclosure. They are not offered the type of protection to which they are entitled under the legislation. When a protected disclosure is examined it is examined internally, so it could be the case that the very same people that have inflicted the bullying and harassment on an individual forced to make a protected disclosure examines it. As a result, the person is out of work and feels further isolated and vulnerable. The nurses and gardaí that are on the front line are amazing people. They are the Band-Aid that keep the organisations together and there seems to be little or no reform that the relevant Ministers can press through the system of governance down to that level which would give them greater protection in their workplace and a greater ease in carrying out the amazing work that they do.

Deputy Paschal Donohoe: On procurement, first, I believe anybody who wins a contract through the public procurement process should do so according to terms and conditions that enable people who work for them, either directly or indirectly, to be paid, and to be paid in accordance with the law in terms of the minimum wage and protecting people in the workplace. For any contract that is awarded on that basis I would expect that the people who do the work would get paid for it.

Across the period since we have tracked the savings that we have made in procurement, which is for the four years up to the end of 2016, we have made savings of approximately €300 million. You are right to say, Chairman, that it has resulted in individual companies having to be part of consortia to win tenders. But, for example, if in relation to construction we are trying to lower the price of housing, then it does mean that we will be asking companies to come together to pool their expertise and work together in order to try to achieve pricing that ultimately might make those homes more affordable.

On banking, as you know, Chairman, I do not have the ability to intervene, legally, into whether any bank decides to sell a loan book or not. I will have to check the legal status of requiring private companies to come before the Oireachtas. I hope that anybody who is invited to come before an Oireachtas committee would do so but I am not sure what the legal foundations are to allow that to be an invitation one cannot turn down, apart from the relationship that exists between the Committee of Public Accounts and public bodies.

In relation to the Comptroller and Auditor General, I am not aware if legal change is required to allow that office to oversee the work of Irish Water. I will ask the question and get back to you on it, Chairman.

The Minister for Rural and Community Development, Deputy Ring, and I are working on the report on community banking at the moment. The two of us are considering a draft report currently and I expect that will be published in the coming weeks or months.

Are you saying, Chairman, that TLAC should appoint more people from outside the Civil Service?

Chairman: Yes.

Deputy Paschal Donohoe: Okay.

Chairman: I do not see why anyone should be a permanent member of TLAC.

Deputy Paschal Donohoe: I do not intend that anyone would be a permanent member of TLAC. As with any appointment I make, it is for a specific period of time. If we have made any appointment that creates the impression that somebody has been a permanent member of TLAC I will follow up on that because that is not my intention. I believe the membership should change. I will see if we can get the information for you, Chairman, regarding the number of external appointments that have been made by TLAC.

We are undertaking a review at the moment of protected disclosure policy. I do not want a situation to arise whereby a person who is reviewing the protected disclosure information or the protected disclosure itself is somebody who is subject to that disclosure. This should not happen. If it is happening - and I take the Deputy's words in good faith - I would be happy to receive the details of it. That should not be happening.

Chairman: Answers to parliamentary questions, particularly questions directed to the HSE and other such organisations, should be made readily available to Members. The Taoiseach made a comment on this in recent times and mentioned specific issues relating to the Department of Justice and Equality. I note that Deputy Kelly is here. I am not asking the question on foot of that. The information, particularly as it relates to health matters, should be provided more willingly by the Department rather than being held back. Deputies ask questions on matters of particular urgency. All Departments should be helpful in terms of answering parliamentary questions. I have a respect for the Members of the House who go to the bother of carrying out their work in that way.

We are due to hear from Benefacts later. Can the Minister comment on it?

Deputy Paschal Donohoe: It is a great project. It is funded mainly by the Department of Public Expenditure and Reform. I launch its annual report each year.

Deputy Alan Kelly: What is the breakdown of the funding?

Deputy Paschal Donohoe: I cannot say. I will find out for the Deputy. I do not have that information now, but I imagine that my Department is a significant funder of it. Benefacts pulls together into a single dataset all of the information available about how public bodies and charities are funded. I have looked at its website. If one wants to find out from where an organisation receives State funding, it will provide the total amount it receives and from what State bodies that funding comes. We have funded Benefacts in recent years and I believe it is a good project.

Chairman: Are there any other questions before we conclude this part of the meeting?

Deputy Paschal Donohoe: I have just been told that Benefacts was previously funded by Atlantic Philanthropies, but my Department is now the main funder.

Deputy Alan Kelly: Is that for 2018 or 2017?

Deputy Paschal Donohoe: I imagine it is for 2017.

Sitting suspended at 3.43 p.m. and resumed at 3.45 p.m.

Benefacts Project: Discussion

Chairman: We will now deal with No. 7, which is an overview of the Benefacts project. I welcome Ms Patricia Quinn, managing director, and Tom Boland, chairman, of Benefacts.

Mr. Tom Boland: We are very pleased to be here to tell you about the work of Benefacts and we very much appreciate the opportunity to do so. Benefacts is a not-for-profit organisation established in 2014. Its objective is to transform the transparency of Ireland's not-for-profit sector. I am the chairman of the board and have been for approximately one year. The board has five other non-executive directors. All the board members serve in a voluntary capacity. The board comprises people with high levels of expertise in the work of non-profit organisations and in public communications, financial reporting, law and philanthropy. Benefacts has a professional staff of 15 reporting to the managing director, Ms Patricia Quinn, who is here with me and will talk to the committee about our work in much more detail.

Benefacts came into being thanks to the vision of Ms Quinn, as founder, but also thanks to a funding partnership between the Department of Public Expenditure and Reform, Atlantic Philanthropies and The Ireland Funds. Like the Economic and Social Research Institute, whose foundation 50 years ago was co-funded by the Irish Government and private philanthropy, Benefacts is a unique solution to a previously unmet need; in our case, for a dynamic, independent public database with a listing for every non-profit organisation in Ireland.

I will ask Ms Quinn to tell the committee more about our work. We are both very happy to have a discussion and answer questions.

Ms Patricia Quinn: Benefacts is best known to the general public for its free, searchable website, which has listings for every non-profit organisation that is registered with a national authority, be it the Companies Registration Office, CRO, Revenue, the Department of Education and Skills, the Registrar of Friendly, Industrial and Provident Societies, the Charities Regulatory Authority or others.

We follow international precedents in defining non-profits as those organisations that are not part of Government or the private sector. This includes charities, of course, but also tens of thousands of other non-profits as well. Like any other member of the public, we access the data on these entities from the datasets made available by regulators or registrars. We are able to do this thanks to the open data regulations which the Minister spoke to the committee about a few minutes ago and which have been so energetically promoted in Ireland in recent years. This means that as long as there is no particular reason for data held by public authorities to be kept private, it should be made public and in a highly accessible way.

We clean the data which we source from these different public regulatory bodies and add value in a number of ways. In the first instance we clean the data and match up the different numbers and identities, trading names and regulatory features of all non-profits so that they are merged into a single file. We socialise the data, meaning we make it much more readily accessible than would otherwise be the case. For example, a member of the public has to pay the CRO an administrative fee each time he or she wants to access company records. We digitise it, which involves a large manual effort, because we extract governance and financial data from paper files, including the financial statements of more than 9,000 companies, unions, friendly societies and political parties. This makes the data much more readily accessible than would otherwise be the case. We augment the data with address information where we can find it,

including Eircodes, but also the address of an organisation on the Internet or its URL. We classify it using a classification standard with 54 sub-categories, which makes the data more easily understood for people interested in those particular subsectors. This categorisation is derived from an international standard which is also used by the UN and EUROSTAT.

We assign a unique identifier to every organisation. This is very much in keeping with best current thinking in statistical planning, because it means that organisations can be recognised using this single number even if they have a variety of names or identities, or if they use names in both Irish and English. Having one number keyed against all of its other numbers or identifiers means that stakeholders, whether funders, volunteers, beneficiaries or policymaker, have a clear line of sight and are able to validate an organisation's identity for the first time.

Finally, the value that we add is to publish the information freely in a variety of formats and platforms. The most basic dataset for 20,000 non-profit organisations appears on the Government's open data portal, *data.gov.ie*. We publish it in machine-readable form and it is updated daily. This means that information about the body of non-profit organisations which make up civil society organisations in Ireland is accessible by people all over the world. Indeed, it is used by people from outside Ireland as well as from within. We also publish a free public website,

www.benefacts.ie, where thousands of people access the data on these organisations every month, for a variety of purposes. This data includes, for the first time, a source where anybody can go to find information about the sources of grant income or fee income from Government. People can now go to a free site and discover what the balance or mix of funding from various sources is. This is information that is already in the public domain but is not readily accessible.

There are other users of our data and our information and web services. Last year we built the online register of charities for the Charities Regulatory Authority, which can be viewed on its website, and we have facilitated the regulator in making the accounts of incorporated charities available to the public, which was not possible previously. We provide a quarterly data feed to the Central Statistics Office, CSO, which it draws on in making Ireland's statutory returns to EUROSTAT. We provided a large body of data to support a research project by the Irish Government Economic and Evaluation Service, IGEES, as well as extensive data files and supports to the Office of the Comptroller and Auditor General and the Charities Regulatory Authority to assist them in their statutory functions. Already this year we have provided various data files on request to a major charity, an employee giving scheme in a large commercial organisation, a charities representative organisation and to the Housing Agency. We have also commenced work on data research projects with the Departments of Justice and Equality and the Department of Employment Affairs and Social Protection. We are in discussions with other Departments as well.

The Minister mentioned that he had launched our first annual sector analysis report last year, and I am very pleased that he has agreed to launch our second report in April. This is a kind of annual rendering of account for the entire sector, and gives the public an idea of the form and structure of civil society organisations in this country, and the scope of their contribution to our society. Our report describes the scale of turnover, which amounts to almost €11 billion, employment in the sector, amounting to 150,000 people, the extent of Government funding, amounting to €5.3 billion or about 8% of current Exchequer spending, the pattern of higher remuneration in the sector, which is very significantly lower than that enjoyed by people working in other sectors, contrary to popular opinion on the subject, and the profile of philanthropic support, which we know very little about in this country.

I want to talk briefly about the power of full population data, because most of the information that has been gathered until now about the work of this sector comes from survey information, in other words partial, occasional surveys which are undertaken from time to time, which are expensive and which tend not to be comparable with each other. By gathering data year on year and promoting better disclosure habits on the part of non-profit organisations and public bodies alike, and continually seeking new sources of public data, we are building an unprecedented knowledge infrastructure to support research and policy making and decision making within this sector.

Last year, with the active co-operation of a range of partners, including more than 70 participants in the HSE alone, we piloted a new service for decision makers called Benefacts Analytics. This prototype service provides detailed governance, compliance and risk analysis information structured in bespoke portfolios and derived from the audited financial statements of almost 10,000 non-profit organisations. It allows registered users to see a body of sensitive information – which of course is already accessible, one by one, in paper format – presented in a digital format that allows non-specialists to interpret comparative and historical trend data, and helps them to identify lead indicators of certain kinds of financial or governance risk. It has many other benefits as well.

In the future we plan to roll out Benefacts Analytics in partnership with public and philanthropic partners. We believe it has the potential not just to reduce uncertainty and risk, but ultimately to help streamline non-profit organisations' engagement with their Government funders. Our contention is that the cost of doing business with Government, in terms of duplication of administrative effort alone, is one of the biggest avoidable overheads for the sector.

We are very excited about the potential for local data derived from the published registers of public participation networks to augment the database of Irish non-profit organisations we have created. Potentially, the input of additional data about local societies, clubs and associations might double the size of the database to 40,000 organisations, or perhaps more. This year we intend to incorporate the financial records of unincorporated charities, including many religious bodies, as soon as legal obstacles have been resolved by the Charities Regulatory Authority. We are planning to add a much smaller group of civil society organisations, namely political parties, to the dataset, with the co-operation of the Clerk of the Dáil and the Standards in Public Office Commission, which last year made this set of financial statements publicly available for the first time. We plan to release a new edition of the website, *benefacts.ie*, in the summer, responding to user feedback and helping many more people to exploit the benefits of an evidence base to support decisions about, and understanding of, Ireland's civil society organisations.

I thank the committee, and we welcome any questions members might have.

Senator Rose Conway-Walsh: I know from some of today's media coverage that Benefacts has raised the fact that charities are not publishing their financial information in full. The Companies Act 2014 made it possible for charities to produce abridged accounts, and it is true that most of them do that instead of publish full accounts. This approach may be encouraged by accountants, and if charities legally do not have to publish full accounts is it the case that accountants are advising them to publish abridged accounts? It is difficult to imagine that any organisation would go against the advice of its accountants. Can the witnesses address that issue? The Charities Regulatory Authority is currently developing a financial reporting standard for charities, and we are aware that it will more than likely require all charities which are subject to audit to produce and publish non-abridged accounts. Is it the case that, while these financial reporting standards do not currently apply to the unincorporated charities, there is a provision

contained within the Companies (Miscellaneous Provisions) Bill 2013 which would close that loophole? I would appreciate the witnesses' viewpoint on that issue.

Ms Patricia Quinn: The Senator is correct to say that the provisions of the Companies Act 2014 changed the terms under which companies limited by guarantee previously were obliged to publish their financial statements in full. This was because they were deemed to be public companies under the old Companies Act. That changed, and as the Senator said, the companies, charities and non-profit organisations were being advised that, for the first time, they were free to avail of the same reporting thresholds as private companies. Many have chosen to do so. The last time we checked, this month, the number was 1,362 charities. That is in the order of 40% of registered charities. Let us consider the profile of these organisations. Many of them are smaller charities. Nonetheless, they have chosen to withhold information from the public, even though many of them are organisations which receive public funding.

There is an irony for all of these organisations. I will come to the question of the Charities Regulator. The provisions of the Department of Public Expenditure and Reform's circular that govern the way in which the Government requires grant recipients to account for funds are highly specific on what should be included in the financial statements. The organisations have borne the expense of having an audit prepared. That is unavoidable as it provides all of the information one would expect to see in a full set of audited financial statements. That is what goes to the members of the company and it is for them to decide whether to file an abridged set with the Companies Registration Office. My understanding is that if only one member of the company disagrees, the accounts have to be submitted to the Companies Registration Office in full. However, if there is unanimity on the abridged accounts being filed in public, that is what happens.

Benefacts is like any member of the public. We have no power, other than the power of influence. That is why we seek to encourage charities and non-profit organisations to adopt the highest standards of disclosure in their own self-interests.

Senator Rose Conway-Walsh is correct to say the Charities Act, as it stands, exempts charities that are companies from filing financial statements with the Charities Regulator which has amending regulation in hand to change that situation. It is surely anomalous that charities are allowed to withhold this information without breaking the law. I emphasise that no one is suggesting they are doing anything that is not entirely legal, but the abridgement does not save them any money. A full audit has to be prepared and the abridgement happens *post hoc*. Our understanding anecdotally is that because of the requirements on public funders to get this information to charities, frequently charities file abridged accounts with the Companies Registration Office, which is where members of the public can read them, but file the full set with their funders, as they are required to under the provisions of the circular.

Senator Rose Conway-Walsh: I will not ask any more questions for now.

Deputy Alan Kelly: I was listening to the commentary. I imagine a member of the public would not be able to distinguish between the role of Benefacts and that of the Charities Regulator. I have had an interest in Benefacts for some time. As the representatives of Benefacts are aware, I raised questions about the organisation in my role as a member of the Committee of Public Accounts. Obviously, this is the finance committee and I thank the Chairman for allowing me to ask questions. Was the original Benefacts project tendered for?

Ms Patricia Quinn: By "the original Benefacts project" does the Deputy mean what hap-

pened in 2015?

Deputy Alan Kelly: Yes.

Ms Patricia Quinn: No.

Deputy Alan Kelly: Why not?

Ms Patricia Quinn: It was a proposal that had been made with funding from the Government and matching funding from philanthropies. The decision to issue a tender or otherwise was not made by us.

Deputy Alan Kelly: According to the accounts, the figure for incorporation expenses came to €18,595. What were they for?

Ms Patricia Quinn: I do not have the 2015 accounts with me.

Deputy Alan Kelly: Will Ms Quinn write to us with the details?

Ms Patricia Quinn: There were expenses incurred in the setting up of the company, but they were not limited to incorporation. They related to the cost of preparing plans, developing proposals-----

Deputy Alan Kelly: Ms Quinn can provide the information if she does not have it to hand.

Ms Patricia Quinn: I can certainly provide a more detailed answer after the meeting. I do not have the information to hand.

Deputy Alan Kelly: I do not expect Ms Quinn to have absolutely everything to hand, but she might let us know who from the Department of Public Expenditure and Reform approved them. I presume there was approval by the Department.

Ms Quinn has been in her current role since the beginning. The job was not publicly advertised. Was it?

Ms Patricia Quinn: No.

Deputy Alan Kelly: Why was that?

Ms Patricia Quinn: There was no job.

Deputy Alan Kelly: There was a job.

Ms Patricia Quinn: The proposal to develop Benefacts was put forward by the trustees and subsequently the directors of the company. It was based on a body of work that had been done by the voluntary directors and me over a period of years before the funding was provided.

Deputy Alan Kelly: Who employs Ms Quinn?

Ms Patricia Quinn: Let me finish. Part of the work also involved securing the co-operative participation of matching funding. Some 50% of the funding for the first phase of Benefacts came not from the Government but from philanthropy.

I will answer the Deputy's next question. I am employed by the company – by the board.

Deputy Alan Kelly: Let me get this straight for the members of the public who are watching. Until 2017 or 2018, the majority of the funding was sourced from taxpayers or other sources, including The Ireland Funds, the Atlantic gang and the Department of Public Expenditure and Reform. Ms Quinn's position was not filled by open competition but simply by the Department of Public Expenditure and Reform. It could have been filled by anyone, not simply by Ms Quinn.

Ms Patricia Quinn: The position was filled by my employer, the board of the company. There was 50:50 matching funding, in other words, 50% was provided by the Department of Public Expenditure and Reform and 50% by philanthropies.

Deputy Alan Kelly: There was no competition for the position. Is that correct?

Ms Patricia Quinn: There was no competition for the position.

Deputy Alan Kelly: That is strange. How were the directors on the board of Benefacts picked?

Ms Patricia Quinn: There was an advertisement. Benefacts advertised on its website for the members of the board and the members of a stakeholders forum. After the founding directors, that is how additional members of the board were appointed.

Deputy Alan Kelly: The additional directors are chosen by-----

Ms Patricia Quinn: Public competition.

Deputy Alan Kelly: A total of three directors have resigned in recent years. Is that the case?

Ms Patricia Quinn: There is rotation. Yes, absolutely.

Deputy Alan Kelly: Did they resign or did they simply come to the end of their lives.

Ms Patricia Quinn: They resigned.

Deputy Alan Kelly: Obviously, under the law they are required to give written statements explaining why they resigned. Why did they resign?

Ms Patricia Quinn: They had come to the point where other pressures meant that they were unable to give the time and energy needed for the role of director. That was something they put to the board which accepted the resignation in every case. It is not unusual, especially in voluntary organisations in which the directors give a great deal of their time

Deputy Alan Kelly: I am only asking the question.

Ms Patricia Quinn: Absolutely and I am happy to answer it.

Deputy Alan Kelly: I am sure there is a record of why they resigned because by law they had to explain it. Is it true that the chairperson of the board is also the chairperson of the audit committee?

Ms Patricia Quinn: It is not.

Deputy Alan Kelly: Who is the chairperson of the audit committee?

Ms Patricia Quinn: Bernie Cullinan.

Deputy Alan Kelly: Has the chairperson of the board ever been the chairperson of the audit committee?

Ms Patricia Quinn: On a temporary basis, following the resignation of the previous chairman and before the appointment of the current chairman, there was a short-term overlap when the person who chaired the audit committee also served as chairman of the board.

Mr. Tom Boland: I might add that at that point, as I understand it, Bernie Cullinan was an interim chairperson. It was not intended that she would be the permanent chairperson of the board.

Deputy Alan Kelly: That is because it would not be normal, as the Benefacts representatives can appreciate.

Ms Patricia Quinn: Absolutely.

Deputy Alan Kelly: In that sense it would not have been appropriate. It is not the norm in any way, shape or form. Benefacts operates under a voluntary code of governance. Is that correct?

Ms Patricia Quinn: We comply on a voluntary basis with the code of practice for the governance of-----

Deputy Alan Kelly: Given what the Minister said earlier, Benefacts will operate under a different code of governance because the majority of the company's funding will probably come from the taxpayer. It will have to fall into the norm in that regard. The old way of funding was 50:50. In my scenario we are looking back at different accounts. How does Ms Quinn perceive the funding streams? What were they in 2017 and what will they be in 2018?

Ms Patricia Quinn: In 2017 the funding streams were 50:50. In 2018 they will be different. Atlantic Philanthropies is no longer making grants. The Ireland Funds is making an ongoing commitment, as are other smaller philanthropies in Ireland. The Department of Public Expenditure and Reform has made a commitment. I am sorry to say, Chairman, that I did not hear what the Minister had to say on this point, but the funding commitment-----

Deputy Alan Kelly: He said the funding from the Department was going to be increased.

Ms Patricia Quinn: I can confirm that it stayed static from 2017 to 2018 at €950,000. We understand the same level of funding will be provided in 2018, 2019 and 2020.

Deputy Alan Kelly: How often do Benefacts staff meet officials from the Department of Public Expenditure and Reform? Who are the officials they deal with?

Ms Patricia Quinn: Our meetings with senior officials are a matter of public record because we have signed up to the lobbying register. The official we deal with currently is Mr. Ian Devlin and we also meet Dr. Lucy Fallon-Byrne who is the assistant secretary responsible.

Deputy Alan Kelly: Is Benefacts auditing done in-house or is a company hired to do it?

Ms Patricia Quinn: The company's accounts are audited by KPMG. We also have on our staff a number of chartered accountants, including our head of finance.

Deputy Alan Kelly: With regard to income, does the company generate external sales? It amasses a huge volume of data. Does the website mention 20,000 records?

Ms Patricia Quinn: Non-profits.

Deputy Alan Kelly: I used to be an IT manager and I specialised in databases. Is the figure of 20,000 accurate?

Ms Patricia Quinn: There are 20,000 entities but I am rounding. The number fluctuates. We do not have the same data for each entity. We have a large body of data from those organisations that file accounts with public regulators and we have substantially less data regarding the rest.

Deputy Alan Kelly: Is 20,000 accurate? The website states-----

Ms Patricia Quinn: It is 19,000 organisations.

Chairman: That Benefacts is reporting on.

Ms Patricia Quinn: Yes.

Deputy Alan Kelly: We will not fall out over a few hundred organisations. Has Benefacts data on all of them?

Ms Patricia Quinn: We have at least ten fields of data on all of them. In the case of half, we have up to 200 fields of data because we extract that information from their financial statements.

Deputy Alan Kelly: Does Benefacts sell any of that data? If so, to whom?

Ms Patricia Quinn: We give away nearly all of it most of the time. Under the terms of our original funding agreement with the Department of Public Expenditure and Reform and our philanthropic funders, we provided free access to the data for every public body that asked for it in the first three years. That was to test the market and the potential for people to see value in the data. The terms of our second round of funding have changed and, therefore, for the next three years - beginning on 1 January this year - our funding is subject to different terms. We are contractually committed to providing a body of resources and services to the public to make information about the entire non-profit sector transparent. In addition, we provide a quarterly data feed to the CSO and others-----

Deputy Alan Kelly: So Benefacts does not sell data.

Ms Patricia Quinn: The value of data sales is so marginal as to be small relative to the cost of producing it. We sell data to anybody who is interested in what we have to offer but the value of data sales to date has been minuscule.

Deputy Alan Kelly: So Benefacts sells data.

Ms Patricia Quinn: I am not avoiding the question. We absolutely sell data.

Deputy Alan Kelly: That is all I wanted to know.

Ms Patricia Quinn: I stress that relative to the scale of the cost of producing it, we sell very little.

Deputy Alan Kelly: I presume Benefacts has a data protection officer.

Ms Patricia Quinn: Yes, we do-----

Deputy Alan Kelly: Is that person employed on a full-time basis?

Ms Patricia Quinn: -----and we have made a detailed submission to the Data Protection Commissioner. We have a small staff and, therefore, it is part of the responsibilities of somebody who has been given other responsibilities. The person who held the position of data protection officer resigned at the end of last year and we are currently in the process of filling that vacancy.

I am glad to be given the opportunity to talk about data protection. We are acutely conscious of the provisions of the GDPR and we consider ourselves to be a marginal source of risk in respect of personal information. We hold almost no personal information. We give back some information that comes bundled with data that we buy from the CRO and we hash personal data wherever we find it in files. For example, when a director of a company signs the memorandum forming the company and gives his or her profession and home address, we strike out that information when the files are made public.

Deputy Alan Kelly: That is fair enough. To save time, will Ms Quinn supply a copy of the company's data protection policy to the committee?

Ms Patricia Quinn: I would be happy to.

Deputy Alan Kelly: The data protection officer position is vacant but somebody is doing the job.

Ms Patricia Quinn: It is vacant.

Deputy Alan Kelly: Given its role, surely the company cannot operate without a data protection officer.

Ms Patricia Quinn: It falls to me to take responsibility for data protection.

Deputy Alan Kelly: Ms Quinn is busy. She said the company has a small number of staff to run a sizeable database with a significant volume of data. I presume much of the work has to be outsourced and, therefore, there are many contracts with external agencies and I presume all these are tendered for.

Ms Patricia Quinn: Absolutely.

Deputy Alan Kelly: Are they tendered under public procurement guidelines?

Ms Patricia Quinn: Yes.

Deputy Alan Kelly: Can Ms Quinn supply a list of every contract valued in excess of €10,000 that has been entered into since the company's incorporation with the tender details?

Ms Patricia Quinn: Yes.

Deputy Alan Kelly: That would be helpful. I presume there are no conflicts of interest relating to anybody working for the organisation or a board member or to those who supply services to the organisations.

Ms Patricia Quinn: I mentioned that we are compliant on a voluntary basis with the code

of practice for governance of non-profit organisations, which gives clear guidelines on that subject. The board and its audit, governance and risk committee reviews our compliance half yearly as required by the code. I do not meant to avoid the question. There are no conflicts and that is very much provided for in the governance code.

Deputy Alan Kelly: My questions are not designed to catch Ms Quinn out. I respect that this organisation has an unusual set up, which is not a negative. It is also a relatively young organisation and, sometimes, there is a fear that such an organisation will fall between two stools. I used to be the chairman of a committee and the reason I ask these specific questions is to make sure there is public confidence that the organisation is not falling between stools and that everything is tendered for and complies with public procurement guidelines, especially as the organisation moves into a space where the majority of its funding will come from the taxpayer. Data protection is a serious issue as well when it comes to Benefacts.

Ms Patricia Quinn: I would be glad of an opportunity to understand what might be the serious issue relating to data protection. It is important to us. We made a detailed submission on data protection when we started out, which I am happy to provide to the committee. The submission is a case statement for our approach to data protection and that led us to adopt a privacy impact statement and to change our policies *vis-à-vis* the holding of personal data. We hold almost no personal data and, indeed, the data available about company directors from other sources are greater than what is available from us.

Deputy Alan Kelly: The organisation has a small staff. Does it contract people to do the data analysis?

Ms Patricia Quinn: We have a small staff and they do most of the work. The Deputy has made assumptions regarding a large volume of external contracting-----

Deputy Alan Kelly: Does the organisation hire in staff to work on IT, financial analysis and so on?

Ms Patricia Quinn: Yes.

Deputy Alan Kelly: I presume that is done on site, that everything is encrypted and that all the data they work with is protected. I presume they are covered by the data protection policy and that the organisation owns the IT equipment with which they work. I presume all of this in view of the volume of data the organisation has access to, even though I acknowledge the way in which Ms Quinn says it is cleaned. I presume this policy applies to the external staff who are hired.

Ms Patricia Quinn: It does, although I stress it is perhaps inappropriate to suggest - and I do not want to let it pass - that a large volume of the data we hold is personal. Almost none of the data processed by us is personal data.

Deputy Alan Kelly: I did not say that it is.

Ms Patricia Quinn: The impact of data protection regulations on our work, therefore, is marginal but the committee will be the judge of that when it sees the case statement we will supply.

Mr. Tom Boland: I appreciate the motivation behind the Deputy's questions from a board point of view. We are conscious that we need to be above reproach in all these areas in light of

the work we do. The expression refers to Caesar's wife being above suspicion. As a board, we are conscious of ensuring public confidence in everything Benefacts does and in our dealings with the Executive.

Deputy Alan Kelly: I have a last question and I thank the Chairman for his indulgence. I will short circuit some of these. Will the witnesses supply to the committee the Benefacts disclosure policy, its data protection policy - which I have already asked for - and its fraud policies, as currently constituted that is before today? Does Benefacts have a human resources manager, and if so who is this?

Ms Patricia Quinn: We have a HR function, which is part of the work of the person who has the responsibility for finance and operational management.

Deputy Alan Kelly: I will ask the question again. Does Benefacts have a HR manager?

Ms Patricia Quinn: We do not have a person whose title is HR manager. The total number of staff is-----

Deputy Alan Kelly: Who manages it? Ms Quinn is the chief executive so who manages HR?

Ms Patricia Quinn: The person who is the financial and operations manager manages HR.

Deputy Alan Kelly: Is that person qualified to manage HR?

Ms Patricia Quinn: Yes.

Deputy Alan Kelly: What is the name of the system that Benefacts uses to manage its information?

Ms Patricia Quinn: SQL Server.

Deputy Alan Kelly: Sorry?

Ms Patricia Quinn: SQL Server. It is a Microsoft-----

Deputy Alan Kelly: I know what SQL Server is. With regard to the IT system for managing information, has Benefacts customised the system? I worked in database development for three years and I have used SQL Server. Has Benefacts customised its development of that or added any off-the-shelf packages to develop it?

Ms Patricia Quinn: I do not pretend to be a technical specialist but it is fair to say that we have used standard products and services from major providers to the fullest extent, principally Microsoft. There is a detailed note about our database in my submission to the committee - but probably not detailed enough for the Deputy - and there are other specific questions that we could answer. We are currently transitioning from one form of database structure to another in line with the growing needs on the data warehouse, as it will become. By and large we work within existing software packages.

Deputy Alan Kelly: I just want to make sure it is fit for purpose.

Ms Patricia Quinn: Absolutely.

Deputy Alan Kelly: Given the data that Benefacts deals with I would be concerned if the

system was not fit. On the internal audit, is there anybody external to the organisation on the audit board?

Ms Patricia Quinn: Yes.

Deputy Alan Kelly: Who?

Ms Patricia Quinn: A gentleman called John McNamara who is a former audit director in KPMG. He did some volunteering work with our company.

Deputy Alan Kelly: How long has he been on the audit board?

Ms Patricia Quinn: He was appointed last year.

Deputy Alan Kelly: Was it the end of last year or the beginning of last year?

Ms Patricia Quinn: I cannot remember the date.

Deputy Alan Kelly: Will Ms Quinn supply this to the committee?

Ms Patricia Quinn: Yes, I will supply it to the committee.

Deputy Alan Kelly: Will Ms Quinn also supply to the Chairman of the committee a copy of the Benefacts risk register, as it is prior to this date and in order of priority of risks?

Ms Patricia Quinn: Sure.

Deputy Alan Kelly: I thank Ms Quinn for her answers.

Chairman: Maybe it is best if Ms Quinn looked over the transcript of the meeting, when it is available, to cover all the different areas as questioned by Deputy Kelly and to allow us the full comprehensive response to each of the issues raised. I allowed the line of questioning because when an entity is collecting data and putting it out there for use it is important that the entity itself is above reproach. I had not realised until today, having read through the submission, that there is an expectation Benefacts would receive 50% of its funding from the Department over the years 2018, 2019 and 2020. I believe the exchange is worthwhile in order to explain things further. The information Benefacts will supply to the committee will give us a greater understanding of the organisation.

Deputy Kelly is a member of the Committee of Public Accounts and I am sure the data that is made available by Benefacts is of assistance to committees that want to explore how entities are financed, how Government money is spent and so on. Is that the main purpose of it?

Ms Patricia Quinn: That is a large question and I will try to answer it this way; private companies and Government organisations have enjoyed the luxury of business intelligence - if that is the right term - for decades. They have invested in the capacity to gather information from financial statements, for example. Services such as Bloomberg, LexisNexis or specialist firms have support business decision makers in the private sector for so long that people take it for granted. No such infrastructure, however, exists in this sector. The want of it costs dearly. It costs in poor decision making, it costs in duplication of effort and as I said earlier it costs in the energy and effort of non-profit organisations in providing the State over and over again with the same information.

Deputy Alan Kelly: Who is taking up this information?

Ms Patricia Quinn: The people who take up this-----

Chairman: Is it random or are there Departments?

Ms Patricia Quinn: It is Departments of the State and agencies of Government. I can provide the Chairman with a list. We have met with a dozen agencies and Departments who have contacted us, or we have discussed with them the kinds of data needs we can serve.

Chairman: What is Benefacts' destination? It has set up, it has gathered this information of some 20,000 organisations onto its database and so on. What is the plan for the future? Is it to remain in the one space or where does expansion come about in such an organisation?

Ms Patricia Quinn: One of the very important aspects is to disclose to the public and to the people of Ireland what form volunteerism and civil society organising actually takes in this State. It is remarkable that sometimes people would say there are too many charities in Ireland. By international comparative standards, when one looks at international statistical comparisons, the number of volunteer organisations that we account for is very low. This is because other European countries typically account for the small associations and clubs and the organisations that provide all kinds of immeasurable benefits to people in local communities; what used to be called social capital. These are not actually counted statistically when we think about the way we organise our life in Ireland. This is one of the things Benefacts hopes to contribute; to provide a single extensive database that provides a better understanding for people making decisions about where to live, about how to educate their children, about recreational matters and about where they want to put their voluntary effort and their money. There are many ways in which life is organised, which are encaptured and engrossed in the work of volunteer organisations that are not well understood. At the minimum this is what we would set out to do. Obviously there are transactional services we can provide and we have spoken about some of these today but I would not want to let the opportunity pass without saying that it is not all about the cost of these organisations or the funding that is provided to them. It is about the changes they make to the quality of our lives and the quality of our society. Benefacts is setting out to document and map this and to make information about it transparently available to everybody.

Chairman: Is it part then of the future plan to be in a position to sell data at a greater level than it does now?

Ms Patricia Quinn: Yes it is. We follow a model that was established some 15 years ago in the United States of America with a company called GuideStar. This is a very well-known organisation in the US, which was established to do very similar things to what Benefacts is doing. It was built on the idea that there is a lot of wasted data, which in the US situation was filed with the Internal Revenue Service. People make their tax returns and gain the benefit of tax relief for giving to charities, or they operate within a tax benevolent environment-----

Chairman: Is that a private company or is it funded like Benefacts?

Ms Patricia Quinn: It is not. GuideStar is a company very like ours. It is a public charity.

Chairman: Is it government funded?

Ms Patricia Quinn: It started out without government funding but with funding from major philanthropies. Tens of millions of dollars were invested in GuideStar by a consortium of major philanthropies in the US. I understand from the former chief executive of GuideStar, who is now a member of our board, that it took eight years of trading before GuideStar started to break

even. The level of investment by philanthropies was such as to establish the technologies and the foundations for the organisation. Gradually GuideStar started to sell data to the public, to smaller foundations, to government agencies and to philanthropists. This is how it functions now.

Chairman: When Benefacts started out first was it Ms Quinn's own idea?

Ms Patricia Quinn: Yes.

Chairman: When Benefacts was established, did the Department of Public Expenditure and Reform support it?

Ms Patricia Quinn: It is fair to say that the Department looked at the model and at its own plans for public administrative reform and found that many of the things-----

Chairman: Benefacts sat in to that space.

Ms Patricia Quinn: Yes. The Department saw what we were doing as fitting within that context.

Chairman: As such, is it right to say that there is no competition?

Ms Patricia Quinn: I do not believe there is direct competition for everything we do, but there are many people who are interested in the things in which we are interested. I hope there will be more of them as we make more data freely available.

Senator Rose Conway-Walsh: I want to ask a question about non-profit organisations that have their registered offices outside the State, for example, in Britain. How does that fit in with what Benefacts is doing? Will they be included?

Ms Patricia Quinn: We can include them if somebody is interested in us doing so. Due to the fact that we control the database, there is no reason we cannot include any organisations we choose to include. Currently, however, we do not include organisations based outside the State.

Senator Rose Conway-Walsh: However, they will not be compelled to be included in Benefacts' database. It is an opt-in system. Is that correct?

Ms Patricia Quinn: We have no powers of compulsion. This is a way in which we differ from the regulator. We have no regulatory standing of any kind whatsoever.

Chairman: When an organisation is the source of a huge amount of information, it becomes very powerful.

Ms Patricia Quinn: I could envisage a scenario where that could happen.

Chairman: We return, therefore, to Deputy Kelly's question about protecting that information and ensuring its proper use, which is hugely important. In the answer the witnesses will provide to the committee, can they indicate how, according to their projections, Benefacts will ensure the protection and proper use of that information? That will be hugely important to the witnesses' work and the issues raised in their presentation. I have two further questions on that topic. Is Benefacts on the database?

Ms Patricia Quinn: Of course.

Chairman: I will come back to the other question later. It is not relevant now. I would like to know more about the sale of the information. Do the witnesses see their organisation continuing to rely on being a partner of the Department in the future? Alternatively, between now and 2020, do the witnesses expect or hope for Benefacts to be a completely independent organisation generating its own funds?

Mr. Tom Boland: The board is very much seized of this issue and will be holding an official meeting on future strategy in the next couple of weeks. That is very much an issue we need to address. The idea of selling information in order to support what Benefacts does is very much in the air. Exactly how it is to be done, to whom it is to be sold and the absolute safeguards that are to be put in place are issues to be teased out at board level. I would like to point out, in response to the point about protecting information, that all of this data is already publically available. What Benefacts does is draw it together into a much more accessible, readable form, from which conclusions can be drawn.

Chairman: I have no objection to that but when an organisation is gathering information, it can gather all types. As such, the individuals handling the information had better know the difference between what can be made publicly available and what is sensitive.

Mr. Tom Boland: I agree.

Chairman: Both can be sold, as our guests know, and there is a bigger market for one kind than there is for the other.

Ms Patricia Quinn: This is a good opportunity for me to mention our project advisory group, PAG, that was convened by the Department of Public Expenditure and Reform. I can provide the committee with its terms of reference and membership. Naturally, there is an account of this in our annual report. There is a project advisory group drawn from a range of Government agencies, Departments and regulators and it has overseen every step of the project since the outset. It is that group which has advised us and overseen choices that we have made about the deployment of data.

Chairman: I would like our guests to provide that information. Perhaps Mr. Boland can give us the information when he has arrived at the point where he can share it with us. I refer to the directors.

Deputy Alan Kelly: I do not want to take up all the available time. Does Benefacts come within the ambit of the Freedom of Information, FOI, Act?

Ms Patricia Quinn: No.

Deputy Alan Kelly: Presumably, if it is fully funded or majority-funded by the State, it will come under FOI. That is not really a question for the witnesses to answer, but I presume that is the case. I understand that Benefacts gathers all the data and repackages it in a format that is readable and sellable, or readable and useable. That is fine. Who actually owns that? Data needs format. Who owns the data with the new format? Does the State own it or does Benefacts own it?

Ms Patricia Quinn: The open data, which is the raw material, is a public good.

Deputy Alan Kelly: No.

Ms Patricia Quinn: If I may finish the answer, the open data is a public good and the work

that Benefacts puts into it belongs to Benefacts. Benefacts is not a private company. It is not a company in which anybody has any ownership or equity. Rather, it is a company limited by guarantee without share capital. As such, Benefacts owns the data but deploys it for its public benefit purposes, which are set out very clearly in our documents.

Deputy Alan Kelly: I will ask the question again. I understand raw data. As I say, I worked in this area for years. Who owns the data that is reformatted? Is Benefacts the owner? Very well. That is obvious. If the two Senators, the Chairman and I were to attempt to set up a company, trading under a company name, which we felt could do this job as well, we would be precluded from doing so because there is no tender to produce this. Why is this not being retendered?

Ms Patricia Quinn: Respectfully, that is not a question-----

Deputy Alan Kelly: It is a question we might put to the Department of Public Expenditure and Reform.

Chairman: It is a question for the Minister.

Deputy Alan Kelly: I think so. It is a question I will leave out there because there is taxpayers' money involved. With respect to our guests, we do not know if we are getting value for that money. That is why the witnesses are before this committee and not the Committee of Public Accounts. When will the 2017 accounts be published?

Ms Patricia Quinn: In about three weeks.

Deputy Alan Kelly: Is it true that when Benefacts was founded, it was claimed that after a few years it would be self-financing?

Ms Patricia Quinn: It is not.

Deputy Alan Kelly: Was that ever the intention?

Ms Patricia Quinn: It was not.

Deputy Alan Kelly: Was it the intention that Benefacts would provide the majority of its own funding?

Ms Patricia Quinn: As I have already said, GuideStar, which was our model, started to break even after eight years. Self-financing is not a commercial proposition. The committee must ask others whether they agree but I believe that far from representing a net cost to the State, our proposition was viewed as representing a net benefit. In fact, it offered a reduction in costs because of the duplication of administrative overheads incurred across many Departments and Government agencies by essentially processing the same data from many non-profit bodies. I mean that genuinely. I think that we have made that case, although I cannot say with what level of success. That is for others to determine. We have made the contention-----

Deputy Alan Kelly: I tend to agree with the witness.

Ms Patricia Quinn: -----that this saves money.

Deputy Alan Kelly: I agree with Ms Quinn that there is a need for this service. The issue is that, as guardians of the taxpayer, the members of this committee cannot determine this because there is nothing to measure against.

Ms Patricia Quinn: Indeed.

Deputy Alan Kelly: I refer to the processes by which Benefacts and its board were set up and by which individuals were picked for jobs. From a transparency point of view, if, in three years, another company attempts to compete, we will not have oversight of the processes.

Ms Quinn referred to the project advisory group, PAG. Who is the chair of that group?

Ms Patricia Quinn: The current chair is an assistant secretary in the Department of Foreign Affairs and Trade. The first chairman was a principal officer in the Department of Public Expenditure and Reform.

Deputy Alan Kelly: Just for transparency, who are those two people?

Ms Patricia Quinn: The first individual to serve in that role was Mr. Kevin Daly. He is no longer an official with the Department of Public Expenditure and Reform. The current incumbent is Mr. John Conlon.

Deputy Alan Kelly: When did Mr. Conlon take over?

Ms Patricia Quinn: I would have to provide the Chairman with the date.

Chairman: On 22 February, the select committee will be discussing the Estimates for the Department. These are questions that can be put to the Minister as well. As there are no other questions, I thank Ms Quinn and Mr. Boland.

The joint committee adjourned at 4.40 p.m. until 10 a.m. on Tuesday, 6 March 2018.