

# Senior public service pay: “remuneration committee” will have legal footing

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**The Government has accepted the advice of a special panel that the Review Body on Higher Remuneration should be re-established and placed on a statutory footing. It will advise on pay arrangements for senior posts in the public service and for CEOs of Commercial Semi-State Bodies.**

Public Expenditure & Reform Minister, Paschal Donohoe, welcomed the final Report of the ‘Independent Review Panel on Senior Public Service Recruitment and Pay Processes’ chaired by Dr Donal de Buitléir.

The Minister said the Government has agreed to progress the establishment of a ‘Senior Posts Remuneration Committee’ that “will provide independent advice on remuneration arrangements for senior posts in the public service and CEOs of Commercial State Bodies”.

The Department explained that the previous, non-statutory, body – the Review Body on Higher Remuneration – will now be placed on a statutory footing and, “to avoid confusion with the previous body” will be called the Senior Posts Remuneration Committee.

Minister Donohoe’s Department will now develop the necessary legislation to establish this Committee on a statutory basis, he said, adding that he “will give due consideration to how best to implement the remaining recommendations set out in the Report.”

The Minister told reporters that he was asking the review panel to stay in place to carry out the grading review.

Regarding commercial semi-states, Mr Donohoe said he was concerned that “in the absence of an intervention like this, we would end up in a situation where we wouldn’t have the best people do the right work for our country. And that’s why I believe a decision like this is needed.”

It is understood that a recommendation to include Government ministers in the proposed pay review will not be taken up, a decision that was inevitable for political reasons.

Meanwhile, Minister Donohoe has requested the Review Panel to remain in place for the coming weeks “to undertake a review of the grading of the Secretary General posts in the

Departments of Children, Equality, Disability, Integration and Youth; and Housing, Local Government & Heritage within the existing structure.”

## **TIME-LIMITS, PAYMENTS**

The review also recommends that term limits for secretary-generals should in future no longer include an option for a three-year extension, but says that existing office holders should keep the three-year extension option.

“In our view, a limit of seven years is appropriate. Consideration should be given to setting this limit in legislation for new hires,” it says.

Outgoing secretaries general should be offered a year’s salary (this could be as high as €255,000) or a role at assistant secretary level, or a previously held grade.

## **“GENERALLY ROBUST”**

Established in March 2022 to review current recruitment and pay determination processes in place for Senior Public Service posts, the exercise involved a public consultation process, with the panel also seeking “relevant expert opinion, both domestic and international”.

It found that the recruitment process for senior public and civil service is “generally robust” but was of the view there are a number of areas where this could be strengthened.

Regarding the Top Level Appointment Committee (TLAC), they found that a fifth of TLAC competitions can take over 9 months, which is “not satisfactory”. They recommend that the process should take no more than 16 weeks.

Importantly, the exercise says that Secretary General appointments not currently made following a TLAC process should require one in future, and that “an existing ‘expression of interest’ mechanism available to existing Secretaries General be removed”.

## **PAY DETERMINATION**

Following the onset of the economic crisis, the review found that an inconsistent approach to the process of pay determination for senior public service roles had evolved.

Because of the need for an objective evidence-based methodology, they recommend the Minister should officially write to the proposed Review Body to agree the programme of work for the Body, including associated terms of reference and be available to conduct reviews where a new organisation is established or where a post is significantly amended.

## **URGENT PRIORITIES**

The panel found there were “a number of particular issues” in relation to the pay determination process of CEOs of CSBs, “largely arising from the lack of an agreed

mechanism to review rates and their exclusion from national pay agreements". This group should be prioritised for review.

The proposed Body should examine the allowances paid to office holders (including Ministerial allowances) on a regular basis and recommend that the Minister *"should be required to accept the Body's recommendations in this regard in order to avoid conflicts of interest"*. (IRN emphasis)

Recruitment – other key findings include:

- The Department of Public Expenditure, NDP Delivery, and Reform (DPENDPDR) should renew its focus on and prioritise development of capacity and capability of the senior leadership cadre in the Civil Service.
- There should be more formal engagement between TLAC and the senior officials from DPENDPDR, the Public Appointments Service (PAS), and other relevant bodies, to ensure TLAC are fully informed of relevant strategic Human Resource (HR) and recruitment policies across the wider Civil Service.
- There should be a greater focus on media engagement and communication exercises as part of the selection process.
- Recruitment for existing senior posts on the same terms and conditions, and where there are no changes in the job specification of the post, should not require specific sanction from DPENDPDR.
- The hiring Secretary General should be a member of the interview board for Assistant Secretary and Deputy Secretary competitions at both stages to reflect their role as the hiring manager.
- Exiting Secretaries General may brief the interview board for their successor but should have no other role in the selection process of their successor.

Pay Determination – other key recommendations include

- The Review Body on Higher Remuneration *"should be re-established to advise the Minister on total remuneration arrangements for senior posts in the Public Service and CEOs of CSBs when requested. In order to enhance the standing of the Review Body's independence and better ensure support from society and the political system, the Review Body should be placed on a statutory footing."*
- All the posts previously considered by the former Review Body on Higher Remuneration should be considered in scope. Accordingly, the full lists of potential posts in scope should include: Political Office-holders; Assistant Secretary and above posts in the Civil Service and equivalents; The Judiciary; CEOs of CSBs; CEO and National Director posts in the Health Service Executive; CEOs of non-commercial state-sponsored bodies; President and Senior Executive posts in Third-Level Universities and Technical Universities; Local Authorities Chief Executive Level I-V;

Senior ranks in An Garda Síochána (Assistant Commissioner upwards); Senior ranks in the Defence Forces (Brigadier General upwards); The Comptroller and Auditor General; Medical Consultants; And such other posts, inclusive of individual posts, as it may be asked to examine from time to time.

- On an annual basis, the Minister should officially write to the Review Body to agree the programme of work for the Body including associated terms of reference for each review to be undertaken.
- The Review Body should be available where a new organisation is established or where a post is significantly amended.
- It has been customary practice that posts previously considered by the former Review Body on Higher Remuneration received adjustments from national pay agreements. The re-establishment of the Review Body should not impact on this practice.
- The end-of-term payment for Secretaries General should be subject to evaluation and review by the Review Body at some point in the future.

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**NOTE:** Established in March 2022 the review panel was to examine current recruitment process at the senior management level in the public service; the process for determining pay and the related terms and conditions for senior public service posts; and the arrangements for Secretaries General once they have reached the end of their term in post. It was chaired by Dr. Donal de Buitléir, former Chairperson of the Low Pay Commission (2015-2021) and current member of the Policy Authority. Other members were Jenny Smyth, a former Senior Client Partner at Korn Ferry plc., and Bryan Andrews, the Chief Executive of the Public Appointments Service from 2004-2012.