



21 December 2007

Dear Manager

I am to refer to the Budget Day announcement in relation to an efficiency review across all spending programmes. The Tánaiste and Minister for Finance has requested his Government colleagues to undertake a review in their areas of responsibility with a view to meeting a commitment to achieve expenditure savings in 2008 and subsequent years. Specifically, the Minister has been asked to supply *a comprehensive list of specific actionable proposals* to achieve and maximise efficiency gains in his area of responsibility.

To meet the timetable that the Government have set, this Department will need to have a comprehensive picture of the position across its area of responsibility completed by end-January 2008. This work is now commencing for the Department's own administrative budget and all other programmes. I would be grateful if you would undertake an immediate and urgent examination of your local authority's activities with a view to identifying areas for possible efficiency gain. I appreciate the timetable being given to us is very tight. However, the Government have made it clear that it is essential that early sight of proposals is required if progress is to be made in 2008. It has also been made clear that the approach to central public expenditure control and that pertaining to the 2009 Estimates will take account for each spending area of the extent to which efficiency measures have been put in place.

In drawing up a schedule of possible measures, and in addition to any areas you consider relevant, I would ask you to give specific attention to the scope for efficiencies with regard to the following:

- rationalisation of management structures, administration and services, elimination of any overlaps or similarity of functions and modalities of delivery
- sharing of services as appropriate between county and sub-county level in your area and with other local authorities
- sharing (including procurement) and more efficient use of back-office services such as accounts and payroll, IT, legal, travel etc.
- efficiencies in transactional services including collection of fees and charges, provision of benefits, collection of data, and registration/licensing functions.

It is open to you to include in your return measures already initiated in such areas which are due to yield specific savings in 2008 and/or subsequent years. In this context, you may wish to refer to matters already comprehended by the Performance Verification Process with appropriate

elaboration and costings of expected efficiency gains. In some cases, it is accepted that in the time available it may not be possible to cost fully the potential savings from a proposed measure. In such cases it will be sufficient to describe the proposal and/or the steps to achieve the change or put it in train. The focus in the first instance in all cases should be directed at feasible proposals within the managerial control of the local authority. Where you consider there are potential efficiencies through new working arrangements with another authority or State body, thus requiring decisions outside of your own responsibility, these should be shown separately.

While the Government have indicated that protection of front-line services is a priority generally, the Minister has been asked to ensure that no area of spending or activity should be excluded from the efficiency review. Queries in relation to this submission of replies should be made in the first instance to Aidan Kinch (01-888 2565): [aidan.kinch@environ.ie](mailto:aidan.kinch@environ.ie)

Notwithstanding the need for individual proposals from Managers, I am writing separately to Mr Joe Gavin, Chairman, CCMA Executive Board, so that the CCMA can consider corporately joint approaches on any of the foregoing.

Yours sincerely

**Des Dowling**  
**Assistant Secretary**