

OIFIG AN ARD-AIGHNE
OFFICE OF THE ATTORNEY GENERAL

Tithe an Rialtais, Sráid Mhuirfean Uachtarach, Baile Átha Cliath 2
Government Buildings, Upper Merrion Street, Dublin 2
MD Malartán Doiciméad/DX Document Exchange: DX7 Baile Átha Cliath/DX7 Dublin
Teileafón/Telephone: 01 631 4000 Facs/Fax: 01 676 1806
Ríomhphost/Email: info@ag.irlgov.ie url: www.attorneygeneral.ie

26 October 2012

Our Ref: 2010/04807

Mr P.J. Fitzpatrick
Chair
Implementation Body
Floor 8
Lansdowne House
Lansdowne Road
Dublin 4

Re: Action Plan Revision

Dear Mr Fitzpatrick

As requested, I enclose the revised Action Plan on behalf of this Office, the Chief State Solicitor's Office and the Law Reform Commission. Our plan has been updated to inform the Implementation Body of current progress as well as certain actions that have been completed and revised in the past 18 months.

Your letter dated 16 October 2012 reminds us of the need for further savings and reform as sought by the Taoiseach in his letter dated 14 September to the Attorney General. For your information I attach a copy of our response, dated 21 September, to that letter but for your assistance I will set out some of its key points.

The AGO and the CSSO are relatively small Offices who carry out a narrow range of critical and highly specialised duties on behalf of the State. Our work is demand led and we do not operate programmes in the way that most other organisations do. Consequently, it is not possible for us to unilaterally decide to divest ourselves of work that our clients, the Government, Ministers and Departments, require us to carry out nor do we have the ability to run down or reduce programmes to achieve savings. Our contention has always been that maintaining a high level of legal service in the provision of accurate advice and legislation and also in the management of litigation results in savings and also the avoidance of significant costs to the State.

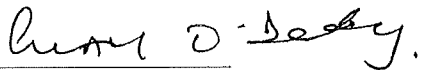
That is not to say that within the flexibilities available to us we have not been able to achieve relatively significant savings. As set out in the attached Plan the Offices have reduced their annual administrative costs by approximately 18% (or €6.67 million) since 2008. Additionally, the cost of counsels' fees since that time has reduced by 42.5% (€7.5 million)

7. External service delivery

The Offices deliver a narrow range of important services and the scope to divest many of these to external resources is small. The idea of transferring work that can be more efficiently dealt with by other bodies is not new with the AGO having already transferred Fisheries Prosecution and Overseas Defence Forces Personal Injuries work to the DPPO and the State Claims Agency respectively while the CSSO is currently transferring the Attorney General's Scheme to the Department of Justice & Equality. As discussed above the Offices engage counsel to act on behalf of the State. This represents a significant area of external delivery and avoids the cost of retaining large numbers of counsel "in house". The value that the Offices add to the process is in the efficient management of litigation, overall legal policy, consideration of the litigation, additional legal advice and ensuring that the fees paid and the work discharged represent value for money for the State.

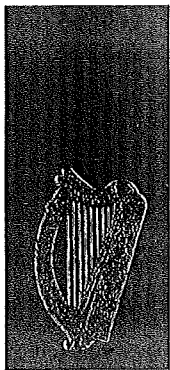
In summary, the Offices feel that their contribution to the effective and efficient operation of the State as well as to achieving individual savings is significant. We will of course continue to realise savings wherever possible and are actively looking for and are open to, suggestions for further cost reductions. We have even proactively engaged with other organisations to assist them yield savings specifically in legal costs and again restate our willingness to play our part in improving the financial environment in which the State must operate.

Yours sincerely,



Liam O'Daly
Director General
and on behalf of
Eileen Creedon, Chief State Solicitor

Cc: Robert Watt, Secretary General, D/PER



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OFFICE OF THE ATTORNEY GENERAL

Oifig an Ard-Stiúrthóra
Office of the Director General

Tithe an Rialtais, Sráid Mhuirfean Uachtarach, Baile Átha Cliath 2
Government Buildings, Upper Merrion Street, Dublin 2
MD Malartán Doiciméad/DX Document Exchange: DX7 Baile Átha Cliath/DX7 Dublin
Teileafón/Telephone: 01 631 4000 Facs/Fax: 01 676 1806
Ríomhphost/Email: liam_o'daly@ag.irlgov.ie url: www.attorneygeneral.ie

21 September 2012

Our Ref: 2010/04807

Mr Robert Watt
Secretary General
Department of Public Expenditure & Reform
Government Buildings
Merrion Street
Dublin 2

Dear Robert,

I refer to the letter dated 14 September 2012 to the Attorney General from the Taoiseach and your subsequent email. I understand the usefulness of confining reporting to a template common across all organisations but as I have stated previously such a standardised approach is not appropriate in all cases. In particular, smaller, tightly focused Offices such as ours do not operate a range of services or programmes that are in any real way "optional".

Attached is the template completed on behalf of this Office, the Chief State Solicitor's Office and the Law Reform Commission. As demand-led providers of legal services to the State it is not feasible for either the CSSO or this Office to unilaterally decide to withdraw or curtail any of these services. Even taking into account the critical financial situation in which the State must operate, a reduction in these services will most likely result in costs to the State far in excess of any savings extracted. It is fair to say that your Department has been extremely supportive of our recent requests for staff. Each request was accompanied by a detailed business case which set out the needs of the Offices and the environment in which they operate so there is no need to reproduce these arguments here. Suffice is to say that the work of the Offices has been closely scrutinised and deemed critical enough to merit additional staff resources during these difficult times.

Both Offices have again reviewed all our activities and realistically it cannot be said that any significant effort or cost is expended on non-core activities. Even the corporate support has been pared back to such an extent that any further losses will now directly affect the provision of the core legal services. For instance in the AGO 14 staff positions or 20% of our Administration staff have been lost since 2008. The possibility of the external delivery of our services has been explored but as many Departments can now attest, the costs charged to date

recommendations made by the Law Reform Commission." In July this year, the Government appointed a new President and Commissioners.

The Commission's work, including the draft Bills attached to its Reports, have frequently formed the basis for enacted legislation (70% of its proposals have to date been adopted). The EU/IMF *Programme of Financial Support for Ireland* contains commitments related to recent Commission Reports, including on personal insolvency law reform and mediation as an alternative to litigation. Were the Commission abolished, this contribution would be lost but the work would require to be done elsewhere. The 2007 *Expenditure Review of the Law Reform Commission* noted that where the Government has commissioned comparable law reform research work through an ad-hoc group or from the private sector this has exceeded the typical unit cost of the Commission's work.

The importance of the independence of the body charged with Law Reform is well established: this function requires a level of detachment from current policy initiatives and an overarching, independent approach to law reform that, although it recognises and takes account of current Government requirements, has as its overall priority and principal role the clarification, modernisation and accessibility of the law, rather than the pursuit of a policy objective however important. England and Wales, Scotland and Northern Ireland all have bodies with a similar independent mandate, situated outside of Government. It is important to note that the Justice (Northern Ireland) Act 2002, which established the Northern Ireland Law Commission in accordance with the Good Friday Agreement, specifies that the Northern Ireland Commission "*must consult... the Law Reform Commission of the Republic of Ireland.*"

The Commission is also a body set up by statute and it would require a Government decision and appropriate legislation to terminate its existence. The proposal on the template, that savings are possible by abolishing the Commission, is based purely on the instruction to put forward all suggestions for savings that can be effected without impinging on the services provided by the Office. In 2009 the Special Group on Public Service & Expenditure Programmes (McCarthy Report) questioned the need for the continued existence of the Commission. That recommendation was not fully adopted as the Commission instead had its budget reduced by approximately 33%.

The Taoiseach's letter identifies other areas in which savings may be possible, for instance changes to rosters and working arrangements. Because these essentially relate to the operation of front line services they are not fully relevant to the Offices' operations. However, I would point out that staff in any event in both Offices regularly work unpaid and unsocial hours to meet the urgent needs of the Government and the courts.

As a small efficiency the CSSO is attempting to transfer full responsibility for the Attorney General's Scheme to the Department of Justice and Equality and the Legal Aid Board in order to end the practice whereby the scheme is administered by the Department, who then recoup the expenditure from the CSSO. Currently the Chief State Solicitor is accountable for the scheme without having any control of the management of the work. It is intended, subject to agreement from the Department, that full responsibility will transfer from January 2013.

Overall, it is my view that the Offices provide very efficient and cost effective services and having examined the issue closely I am satisfied that apart from the areas set out in the attached template, it is difficult to see options for further savings without compromising the

Return on behalf of: Attorney General's Office/Chief State Solicitor's Office/Law Reform Commission

Reform Initiative	Name of Senior Official Lead	Deadline for delivery/ completion (Month-Year)	New initiative? (i.e. not in Croke Park or Integrated Reform Delivery Plan)	Croke Park related? (i.e. any IR implications) (Y/N)	If Croke Park related, has initiative been tabled with unions? (Y/N)	Included in Integrated Reform Delivery Plan? (Y/N)	Forecast Savings (£m)	Potential headcount reduction (if any) (NITE)	Service improvement related? (Y/N)	Income generating? (Y/N)	If income generating, estimated income (£m)
Abolition of the Law Reform Commission (Proposal Requires Government Approval)	Decision yet to be taken	To be decided	New	Yes	No	No	€1million per annum	10	No	No	n/a
Further reduction in Counsels Fees	Eileen Creedon, Chief State Solicitor	Dec-13	Existing	No		Yes	€300,000 more per year than already achieved to date since 2008	N/A	No	No	N/A
Transfer of Attorney General's Scheme to Department of Justice and Equality	Paul Fleming, Assistant Chief State Solicitor	Jan-13	Existing	No		Yes	N/A	N/A	Yes	No	N/A