



Ireland's cultural institutions must strive for equality competence and ensure that access for the less well off and socially excluded groups do not suffer as a result of the budget cuts. This is the message to those working in the cultural diversity in Ireland's cultural spaces : Whose Culture is it? hosted by the Council of National Cultural Institutions in the Chester Beatty Library, Dublin Castle. Pictured are from left, Alan Kirwan, Researcher at the School of Museum Studies, University of Leicester, Mark O'Neill, Head of Arts & Museum Glasgow City Council and Peter Murray, Chair of the Council of National Cultural.

## Information Makes the World Go Round

Organisations need to compile a certain amount of information to make a success of their business. To create content, products and services that are valuable to your customers, you must understand them but you must not impinge on, or compromise, their fundamental right to privacy. Successful organisations value their customers' privacy and have earned their trust.

Each time you do business with a customer or a client, or gather information about new employees you now control an individual's personal data. The sensitive information you hold makes you and your organisation a data controller. You now must protect it as if it was your own. Privacy and Data Protection issues will only continue to get increased attention in the years and months to come. With fines of up to €100,000, not to mention the immeasurable damage to your organisation's image, can you afford not to be compliant?

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# Reform Overdue on Public Sector Legal Spending

by John Cronin

The State bill of €500m a year to private lawyers is excessive and not enough scrutiny is being applied to procurement.

"Revolting in the extreme" was how the State's senior legal costs judge, the Taxing Master of the High Court described the legal fees charged to a public body by a private solicitor and multiple barristers in a litigation matter last summer.

In this case, the judge subsequently slashed the costs by 82%, but the trend of exorbitant legal costs is repeated across the public sector and isn't being challenged anywhere near enough.

It was revealed at a recent Dáil Public Accounts Committee (PAC) examination that the total spend by the State on the services of external solicitors and barristers in private practice is approximately half a billion Euro every year.

In the current economic climate, where every euro spent out of the public purse should be scrutinised, it is staggering that an annual State bill of this size remains unchecked.

This figure is extraordinary for a country the size of Ireland and it must be noted, is in addition to Government expenditure on internal staff in the Chief State Solicitor's Office, the Office of the Attorney General and hundreds of in-house lawyers

employed in Government departments, semi-State bodies and local authorities nationwide.

That this figure is so disproportionately high is due in no small part to a complete absence of any procurement procedures when it comes to the purchase by the State of barristers' services in particular. These legal fees comprise nearly three percent of the State's total annual procurement bill, yet they are being incurred with no system in place to monitor and ensure that value for money is being achieved or that public procurement guidelines are being followed. If this trend of 'single procurement' of legal services continues, then barristers engaged by the State can simply name their price.

This is not to say that there is a deliberate waste of money by the public sector, rather it is a fault of the system. Most purchasers of legal services are unfamiliar with how the legal system works and rely on their solicitors to identify and engage barristers on their behalf. In many instances however, solicitors themselves may not be incentivised to secure the best value possible from barristers. This is in stark contrast to the procurement of all other professional services by the State, where competitive tendering is the norm.

A small number of public bodies have tendered for

legal services but the tenders issued to date have been restricted solely to solicitors. This doesn't address the problem, as barristers' services continue to be purchased outside the tender process and often at a substantially higher cost than solicitors' tender prices. Proper competitive tendering for all legal services would lead to significant efficiencies, greater value for money and more cost-effective procurement.

The prospect of reform here in Ireland is at least, being discussed. The Department of Finance's National Public Procurement Policy Unit, together with the OPW's National Procurement Service, have been asked by the Dáil PAC to examine whether legal services are being procured in accordance with their procurement guidelines and if not, to immediately address the matter. One would hope that they will quickly see that a complete overhaul is needed.

A simple solution, and



Pictured is John Cronin

one being used increasingly by public bodies in the UK, is the establishment of framework agreements as a means for solicitors to procure barristers' services. Reports of 25% savings in costs and improved levels of service would suggest this approach merits serious consideration by State bodies. Now more than ever, Irish public bodies need to "shop around" when looking to purchase barristers' services and this would seem to be the obvious place to start.

John Cronin is a Director of legal services procurement consultancy Brief Counsel. [www.briefcounsel.ie](http://www.briefcounsel.ie)

## Are 'Interim Managers' the way forward for Public Sector?

The rise and rise of usage of consultants and the resulting cost has seen the emergence of 'Interim Managers' in the British public sector. Interims are senior managers and executives who are recruited on a short-term basis.

Usage of interim managers across the whole UK public sector is believed to cost less than £290m each year, just 1.4% of the total £20.5bn public sector payroll, according to analysis by Interim Partners, a leading provider of interim management solutions.

Interim Partners points out that British Government spending on consultants is far higher than on interims. Their public sector spends £997m on consultants each year, equivalent to 5% of the total public sector payroll and 247% more than it spends on interims.

Doug Baird, Managing Director of Interim Partners, comments: "Whilst it is popular to portray any contractors used by the public sector as evidence of excess, the reality is that the use of interims is a tiny fraction of the public

sector's pay bill."

Interim Partners points out that interim managers are very cost effective and can charge as little as half the price of a management consultant of the same level of seniority.

Says Doug Baird: "It is often overlooked that interims working in the public sector are there to implement and deliver improvements in services or reductions in costs rather than just to consult and plan."

"The public sector simply does not make enough use of cost effective temporary staff at manager level and above."

"Making greater use of managers on a flexible contract basis, without any of the public sector's large pensions or redundancy costs could save the public sector hundreds of millions in payroll costs."



The Chairpersons' Forum (the Forum), a network of Chairpersons of public bodies, last month launched two reports on corporate governance in relation to state boards. These follow its publication last year of A Chairperson's Guide to Good Governance.

Guest of honour at the launch was the Head of Financial Regulation at the Central Bank of Ireland, Matthew Elderfield, who introduced the Central Bank's new Corporate Governance Code for Credit Institutions and Insurance Undertakings. Pictured from left at the launch were Michael Kelly, Executive Committee Member and co-author of the Chairpersons' Forum report, Matthew Elderfield, Financial Regulator and Karen Erwin, Chair of the Chairpersons' Forum



# MERRY CHRISTMAS

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