



Northern Ireland  
Assembly

Committee for Finance and Personnel

# OFFICIAL REPORT (Hansard)

Efficiency Delivery Plans 2008-11/Savings  
Delivery Plans 2011-15: DFP Performance

15 May 2013



lower value for money by having to go to a private sector provider. Therefore, we are comfortable that what we are doing is achieving the objective of driving down cost and ensuring that resources can be diverted to higher-priority services.

**The Chairperson:** Are you saying that the action, of itself, is not an efficiency but, as part of the bigger picture, it is?

**Ms Worth:** I am saying that what we have done contributes to the overall objective, in my opinion.

**The Chairperson:** That is one way of answering. Was there any confusion about that matter in the guidance on efficiency savings that was issued by the Central Finance Group (CFG)?

**Ms Worth:** We were quite clear that the overall objective was to ensure that we freed up resources to fund higher-priority areas without reducing services. At that level, I believe that what we have done is consistent with that objective.

**The Chairperson:** Does the Department foresee a role for the performance and efficiency delivery unit (PEDU) in the new savings delivery plans?

**Ms Worth:** I am always happy to accept any help available to me; if anybody can point out where something can be done better, I am always open to that. However, since we are delivering on our savings delivery plan, I do not see a particular role for PEDU at this time. Nevertheless, as I say, I am always open to suggestions on how we can do things better and more effectively.

**The Chairperson:** The Committee has been informed that Department of Education officials told the Education Committee that the landscape had changed in relation to efficiencies. Whereas the efficiency delivery programme was designed to deliver 3% of efficiency savings per year, the current SDP is about living within a reduced budget. In other words, it is about reductions. It comes back to whether it is an efficiency, a saving or a cut. Is that perhaps a reason why PEDU should be considered to give a second opinion?

**Ms Worth:** When I look at our savings delivery plan, I would say that there is a mixture of those things. Particularly in the area of accommodation services, by reducing the footprint of the office estate through moving civil servants into higher-density accommodation, we are still making what I believe to be clear-cut efficiencies in reducing rent, rates and maintenance charges. There will be areas in our savings delivery plan where we have had to take a critical look at the services that we deliver and say, "In the current financial climate there are things that we can just no longer afford to do, or there are areas that we will have to try to do with less input". Therefore, there are measures in our savings delivery plan that would probably range from pure efficiency savings to cuts in lower-priority activities. The question is: how do we deliver what we need to without creating additional bureaucracy? Creating more bureaucracy is almost self-defeating: if we are trying to save money, we do not want to do so in a way that costs us money to monitor. It is about striking a balance.

**Mr Cree:** I am amazed to hear that. I thought that efficiency savings, in anybody's book, meant doing the same job at reduced cost.

**Ms Worth:** Sorry; I was referring to our savings delivery plan. I was trying to acknowledge that things have changed as we have moved from our efficiency delivery plan to our savings delivery plan. In the savings delivery plan, there will be some measures that you would not necessarily regard as an efficiency and that you would not have seen in our efficiency delivery plan.

**Mr Cree:** So you are advocating cuts.

**Ms Worth:** I think that we are now in a place where it is not possible simply to deliver more efficiencies. We have come from a period where we have been delivering efficiencies —

**Mr Cree:** With respect, that is a slightly different answer.

**Ms Worth:** Sorry?

**Mr Cree:** That is a slightly different answer. Are you advocating cuts?

**Ms Worth:** I believe that cuts have become necessary to live within the financial resources that we have been allocated.

**Mr Cree:** What is your view on capital cuts, which were claimed by some people to be efficiency savings?

**Ms Worth:** It is difficult for me to comment on other Departments' plans. In the Department of Finance and Personnel (DFP) —

**Mr Cree:** You provided the guidelines.

**Ms Worth:** I did not provide the guidelines; my colleagues in Central Finance Group provided them.

**Mr Cree:** Yes, but you are part of that Department.

**Ms Worth:** I am part of the Department, but I was not involved in the development of the guidelines; I can comment only on how they have been interpreted in the case of DFP's plans, and we have a very small capital programme. We did not identify any capital measures in our programme that we would have regarded as an efficiency. That is why we do not have any capital measure in our efficiency delivery plan. However, that is not to say that there are not ways of doing that. For example, I have talked about how we have reduced our leases in creating accommodation efficiencies. Had all our accommodation been owned by DFP and we had moved staff into higher-density accommodation and sold off a surplus building, I would certainly have agreed that that was an efficiency. We have not renewed leases, but had we been selling a building as part of delivering higher-density accommodation, that is clearly a more efficient use of resources.

**Mr Cree:** OK. It was just that that was the first time I had heard actual cuts in the service being advocated.

**Ms Worth:** As I say, I am not advocating cuts. I am saying that I think, as we move into the savings delivery period, we have to accept that we have a funding envelope within which we must live, and we have to look critically at all the services that we are delivering and say, "If this is the funding envelope within which we are living, and if we have already delivered as much efficiency as we believe we can in the system, perhaps we have to stop doing some things that are not as high priority".

**Mr Cree:** Is that part of the plan? I do not see it in this paper.

**Ms Worth:** The savings delivery plan?

**Mr Cree:** Yes.

**Ms Worth:** There will be certain areas in the savings delivery plan when you dig beneath it, such as removing lower-priority services. We started off with a list of, I think, 100 detailed measures that we have rolled up. As I say, in trying to keep things simple in how we monitor the plan, we have rolled up those 100 or so measures into the five measures that you see in our savings delivery plan. Some of the detail behind that will see some of our lower-priority services being discontinued, but they will be in the margins, at this stage.

**Mr Cree:** OK, thanks for that.

**The Chairperson:** No other members have questions, so thanks again, Brigitte and Preeta.