

**Extracts from a speech by Head of the Civil Service, Bruce Robinson
to Londonderry Chamber of Commerce, at the Annual Dinner
on Friday 24 October 2008**

1. The current economic and financial difficulties are very much at the forefront of all our thinking. The economic environment is much more challenging than it has been for an exceptionally long time. Many economies around the world, including Northern Ireland, are facing a difficult period. The business community in particular will have seen, at first hand, the impact of the economic slowdown and the credit crunch on their own businesses – most notably those in the construction industry, which is experiencing a sharp downturn following the fall in property prices and the shortage of credit. But increasingly the impact is working its way through other sectors of the economy – most particularly financial services but increasingly retail also.

2. I recognise that all businesses are faced with rising costs, particularly energy, and many are facing falling demand from key markets including the rest of the UK, the RoI and the US. There is no doubt that we are living in difficult and uncertain times and a challenging economic environment.

3. In my role as Head of the Northern Ireland Civil Service (NICS), I believe our focus as a civil service is on delivery of the Executive's Programme for Government and realising the Ministerial priorities of efficient and effective government.

5. I believe firmly that the implementation of the Programme for Government represents the best way forward. While the programme was conceived some 12 months ago, at a time of rather different economic outlook, and so it may require some modification; I am of the view that it remains, at its core, a very viable strategy for the situation that we now face. Of greatest relevance to the business community is the commitment to immediate investment through the Investment Strategy for Northern Ireland (ISNI) amounting to almost £6bn over the 3 years ending March 2011.

6. Clearly there are also a set of substantial political challenges that face the Executive at this time. However since Devolution was restored some 18 months ago it is evident to me that all Ministers irrespective of party are absolutely determined to deliver on what they refer to as “the devolution difference” – that is ensuring much better outcomes for the local electorate. I believe that we in the Northern Ireland Civil Service have responded to date very well to the restoration of Devolution. However it is also evident to me that we also have a lot more to do if the Programme for Government goals are to be achieved.

Trends and Challenges

7. The objective of the Executive’s Programme for Government is, above all else, on achieving much better outcomes for the citizen and society and I believe we as civil servants should continually keep this goal of Ministers at the forefront of our thinking.

8. We face a number of challenges in working to achieve this goal. I see three particular pressures shaping our landscape:

1) Global economic and financial conditions: The public sector faces the same rising costs that business faces. While in terms of public expenditure, the Comprehensive Spending Review 2007 was already a very tight settlement but public finances in Northern Ireland, like the rest of the UK, are now under even more intense pressure and will continue to be for the foreseeable future.

2) Rising citizen expectations: People have access to more information now and are experiencing excellent technology-enabled services from the private sector. The result is pressure for better outcomes, for better customer service and for efficiency savings from every part of the public sector.

3) Rapid advancements in technology: The pace of technological change is intense and brings with it new opportunities as well as challenges for government across a whole range of areas. We are investing heavily to enhance our capability and

we need to make the correct choices and secure the benefits from this investment.

9. These challenges are daunting; however it is in my view important that we set ourselves the ambitious goal of overcoming them – of achieving a transformation in the delivery of public services. I am clear that we cannot achieve a step change improvement by continuing only to do more of the same.
10. If we are serious in the NICS about taking on these challenges we need to make the following three strategic issues our priorities over the next 18 months:
 - Building a stronger performance delivery culture;
 - Developing a much sharper customer focus and more effective joined-up delivery; and
 - Growing our people.

Stronger performance delivery culture

11. I am very confident that the civil service is changing. A recent attitudinal research study, conducted independently for us shows that 67% of our staff understand and accept the need for reform. This is highly significant. I was also very encouraged that two thirds of our staff stated that their manager was leading by example on reform. We now need to build on these vitally important changes and to become even more professional in our approach.
12. A stronger performance delivery culture has as its foundation a focus on outcomes for the citizen, but stronger performance delivery also requires high quality information. The shared services reform programmes such as HRConnect and Account NI will help, by giving us more accurate, more detailed and much more timely data. In addition we have developed and are developing much more extensive use of benchmarking.
13. Other evidence of the sound progress that has been made on creating a performance delivery culture is our achievement of the target of £250 million value for money gains from procurement over the period 1 April 2005 – 31 March 2008.

14. In terms of workforce targets, we achieved the reduction in the number of full-time equivalent posts in the NICS of 2300 between April 2005 and March 2008 and as we continue to invest in technology we will be on a similar trajectory over the next three years.

15. We are making major investments in improving our capacity, systems and facilities. Over the period since April 2003 to September 2008 in excess of £130m has been spent in taking forward the NICS reform programme. It is vitally important that we achieve the benefits and see the return on this investment in terms of improved quality, effectiveness and efficiency of our services.

16. Clearly developing a stronger performance delivery culture also involves looking at our human resource strategies. The Programme for Government will be delivered by and through our people and we must support their development. We do need to look closely at our HR strategies for a number of reasons, not least the changed local labour market and the implementation of HRConnect, we want to ensure a more strategic approach to people management within the NICS. This includes:

- Within the constraints of public pay policy, developing a refreshed pay and reward policy to provide more effective incentives for delivery; and
- Improving the health and wellbeing of the workforce, including better management of sickness absence.

17. On the last issue, which is a Ministerial and management priority, there has been solid progress. Over the last four years to March 2008 the level of absence in the NICS has fallen from 15.5 days to 12.9 days – a reduction of 17% and the initial results for this year indicate that we are maintaining momentum in this downward trend. While significant progress has been made, the pace of progress needs to increase, particularly when we compare our performance against the GB civil service which reported an average absence level of 9.6 days in its latest quarterly report.

