

Commercially sensitive document – Iarnród Éireann will, if necessary, request the application of section 27(1) of the Freedom of Information Act

2006

Memorandum of Understanding on Service Levels and Targets

Iarnród Éireann & Department of Transport

April 2006

Introduction

This entire document is hereafter described as the Memorandum of Understanding on Service Levels and Targets and this phrase embraces all provisions herein.

The memorandum reflects the general principles of transparency and accountability outlined in the Government White Paper "Regulating Better". In addition, the memorandum reflects general principles on accountability for public funds, which have evolved as part of the Strategic Management Initiative in respect of better management of Public Expenditure. These include:

- The need for clarity in relation to responsibility and accountability;
- The need for a rounded multi-dimensional role in accounting for public expenditure which includes service delivery, value for money, compliance and organisational improvement;
- The requirement for an increasing focus on performance; and
- The requirement of having management and governance systems balanced to support constructive review and continuous improvement while having the capacity to deal with serious issues as they arise.

This Memorandum of Understanding on Service Levels and Targets is of no legal effect and is not binding on Iarnród Éireann or the Department of Transport. The parties to this Memorandum of Understanding do not intend any part of this Memorandum to have any contractual status of any kind.

This Memorandum covers the period from 1 January 2006 to 31st December 2006.

Intentions concerning service and quality levels in this Memorandum are linked to assumptions regarding the financial and operating environment.

Iarnród Éireann requires financial certainty from the Department of Transport to allow Iarnród Éireann to plan into the future, in particular in relation to subvention, capital investment and fares. In addition, Iarnród Éireann's costs are prone to external factors outside its control and the Company's financial planning must be adjusted through a re-examination of the understanding should such a scenario arise.

The Memorandum outlines a reporting structure for Iarnród Éireann performance indicators to be sent to the Department of Transport on a quarterly basis. Independent audit results on customer service issues will be sent to the Department on a 6 monthly basis.

The Department of Transport may publish the MOU non financial information, agreed in advance with IÉ, on its website on a quarterly basis.