

Vote 28 - Second - Level and Further Education

22. Review of Certain VECs

I am responsible for the audit of the annual accounts of 33 Vocational Education Committees for which almost £380m was provided in 2000 from voted moneys.

Completion dates for the audits of the Committees' accounts for 1999 and earlier years were adversely affected by difficulties experienced in agreeing income reported in the accounts with corresponding grant expenditure recorded in the Department of Education and Science. In most cases the differences were significant. In one of the extreme examples, County of Dublin VEC, there were differences in 37 individual expenditure categories with £2.8m being included in the VEC account in excess of the grant figures notified to audit staff by the Department and £2.1m notified as paid by the Department but not included in the VEC accounts.

In response to my inquiry the Accounting Officer informed me that the difficulties arose due to the reporting mechanism that was employed within the Department for the purpose of gathering the information. This mechanism depended on the collation of reports by different sections in the Department thereby increasing the risk of incomplete and inaccurate data.

Arising from my concerns the Accounting Officer stated that the procedures governing the compilation of VEC grant expenditure details had been reviewed and upgraded. From now on all payments issued to VECs will be identified centrally through the Department's payment systems. Schedules have now been issued to VECs that contain details of all payments classified by date and activity made by the Department in 1999 and 2000 to VECs.

It is intended from a current date that a listing of Department payments will issue to VECs at the end of each four monthly period and thereafter on an ongoing basis. The revised arrangements should facilitate the reconciling of payments on a systematic basis in the future.