



## **Appropriation Account 2014**

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### **Vote 31**

### **Transport, Tourism and Sport**

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## Introduction

As Accounting Officer for Vote 31, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2014 for the salaries and expenses of the Office of the Minister for Transport, Tourism and Sport, including certain services administered by that Office, for payment of certain grants, grants-in-aid and certain other services.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2014, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2014 out of unspent 2013 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €4.77 million is liable for surrender to the Exchequer.

In 2014, the Department assumed responsibility for the management and approval of grant payments to local authorities for regional and local roads in respect of construction, improvement, maintenance and management. This role had previously been carried out by the National Roads Authority. For administrative efficiency, the Department continued to issue grant funding to the Authority (Subhead B3). The Authority continued to have responsibility for the issuing of payments to the local authorities.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

## Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts have been applied in the preparation of the account except for the following;

### ***Depreciation***

The Department's policy is to depreciate assets from the date of purchase up to and including the date of disposal at the following annual rates

- Land and buildings - no depreciation
- Furniture and fittings - 10%
- Office equipment - 20%
- Motor vehicles - 20%
- Specialist equipment - 20%

## Statement on Internal Financial Control

### ***Responsibility for system of internal financial control***

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between this Department and the National Shared Service Office for the provision of payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the Vote for Shared Services that the appropriate controls are exercised in the provision of Payroll shared services to this Department.

#### ***Financial control environment***

I confirm that a control environment containing the following elements is in place

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action
- there is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.

#### ***Administrative controls and management reporting***

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Department
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines
- the Department ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

#### ***Significant financial risks***

The Department has a Risk Management Policy in place along with a Risk Register for all strategic and business related risks. The policy defines Financial Risk as a failure to maintain effective financial management and accountability arrangements in all the department's activities. Risks are assessed and scored on the basis of impact, likelihood and the effectiveness of the controls in place. At present, the Department has no financial risks rated high. There are a number of Strategic Risks and Business Risks identified in the Risk Register which are classified as financial/corporate governance related. These are all rated low given the likelihood of occurrence and the effectiveness of the internal controls in place to mitigate them, in particular the annual application of a detailed Procedure for Internal Financial Control at a Divisional level.

***Internal Audit and Audit Committee***

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Department is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

**Tom O'Mahony**

Accounting Officer

Department of Transport, Tourism and Sport

31 March 2015

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 31 Transport, Tourism and Sport**

I have audited the appropriation account for Vote 31 Transport, Tourism and Sport for the year ended 31 December 2014 under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, and in accordance with standard accounting policies and principles for appropriation accounts.

#### ***Responsibility of the Accounting Officer***

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration by his Department and for the regularity and propriety of all transactions in the appropriation account.

#### ***Responsibility of the Comptroller and Auditor General***

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare each year, a report on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

#### ***Scope of audit***

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

***Opinion on the appropriation account***

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 31 Transport, Tourism and Sport for the year ended 31 December 2014.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Transport, Tourism and Sport. The appropriation account is in agreement with the books of account.

**Seamus McCarthy**  
Comptroller and Auditor General

15 September 2015

## Vote 31 Transport, Tourism and Sport

### Appropriation Account 2014

		2014		2013
		Estimate provision		Outturn
		€000	€000	€000
<b>Programme expenditure</b>				
A	Civil aviation		27,697	25,539
B	Land transport			26,865
	<i>Original</i>	1,315,404		
	<i>Supplementary</i>	158,594	1,473,998	1,471,950
C	Maritime transport and safety			
	<i>Current year provision</i>	94,382		
	<i>Deferred surrender</i>	4,800	99,182	93,831
D	Sports and Recreation Services			
	<i>Original</i>	95,468		
	<i>Supplementary</i>	1,892	97,360	73,016
E	Tourism services			
	<i>Original</i>	137,069		
	<i>Supplementary</i>	1,594	138,663	134,538
<b>Gross expenditure</b>				
	<i>Original</i>	1,670,020		
	<i>Deferred surrender</i>	4,800		
	<i>Supplementary</i>	162,080	1,836,900	1,798,874
	<i>Deduct</i>			
F	<b>Appropriations-in-aid</b>		394,431	390,277
<b>Net expenditure</b>				
	<i>Original</i>	1,275,589		
	<i>Deferred surrender</i>	4,800		
	<i>Supplementary</i>	162,080	1,442,469	1,408,597
				1,260,864

**Surplus for surrender**

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year.

	2014	2013
	€	€
Surplus	33,872,830	9,718,005
Deferred surrender	(29,105,000)	(4,800,000)
Surplus to be surrendered	<u>4,767,830</u>	<u>4,918,005</u>

**Analysis of administration expenditure**

		2014	2013
		Estimate provision	Outturn
		€000	€000
i	Salaries, wages and allowances	26,669	26,611
ii	Travel and subsistence	1,753	1,017
iii	Training and development and incidental expenses	1,698	2,321
iv	Postal and telecommunications services	550	364
v	Office equipment and external IT services	1,633	1,583
vi	Office premises expenses	592	551
vii	Consultancy services and value for money and policy reviews	599	429
viii	<i>EU Presidency</i>	—	—
		<u>33,494</u>	<u>32,876</u>
			<u>34,037</u>



## Notes to the Appropriation Account

### 1 Operating Cost Statement 2014

	2014	2013
	€000	€000
Programme cost	1,765,998	1,666,464
Pay	26,611	27,707
Non pay	6,265	6,330
<b>Gross expenditure</b>	<b>1,798,874</b>	<b>1,700,501</b>
Deduct		
<b>Appropriations-in-aid</b>	<b>390,277</b>	<b>439,637</b>
<b>Net expenditure</b>	<b>1,408,597</b>	<b>1,260,864</b>
<b>Changes in capital assets</b>		
Purchases cash	(3,047)	
Depreciation	3,115	
	68	1,501
<b>Changes in assets under development</b>		
Cash payments	—	(35)
<b>Changes in net current assets</b>		
Decrease in closing accruals	(2,537)	
Increase in stock	(22)	
	(2,559)	162
<b>Direct expenditure</b>	<b>1,406,106</b>	<b>1,262,492</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	19,803	20,426
Notional rents	714	1,212
<b>Net programme cost</b>	<b>1,426,623</b>	<b>1,284,130</b>

#### 1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 31 borne elsewhere.

	2014	2013
	€000	€000
Vote 7 Finance	e 93	143
Vote 9 Office of the Revenue Commissioners	e 75	—
Vote 12 Superannuation and Retired Allowances	e 14,845	15,416
Vote 13 Office of Public Works	e 4,369	4,464
Vote 18 Shared Services	e 21	—
Central Fund - Ministerial pensions	e 400	403
	<b>19,803</b>	<b>20,426</b>

“e” indicates that the number is an estimate value or an apportioned cost.

## 2 Balance Sheet as at 31 December 2014

	Note	2014 €000	2013 €000
<b>Capital assets</b>	2.2	10,005	9,999
<b>Capital assets under development</b>	2.3	—	38
		<b>10,005</b>	<b>10,037</b>
<b>Current assets</b>			
Bank and cash	2.4	33,274	4,505
Stocks	2.5	591	569
Prepayments		2,551	1,123
Accrued income		2,000	43
Other debit balances	2.6	1,598	1,143
<b>Total current assets</b>		<b>40,014</b>	<b>7,383</b>
<b>Less current liabilities</b>			
Accrued expenses		2,304	1,456
Other credit balances	2.7	401	379
Net liability to the Exchequer	2.8	34,471	5,269
<b>Total current liabilities</b>		<b>37,176</b>	<b>7,104</b>
<b>Net current assets</b>		<b>2,838</b>	<b>279</b>
<b>Net assets</b>		<b>12,843</b>	<b>10,316</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>12,843</b>	<b>10,316</b>
<b>2.1 State Funding Account</b>	<b>Note</b>	<b>2014</b>	<b>2013</b>
		<b>€000</b>	<b>€000</b>
Balance at 1 January		10,316	14,964
Disbursements from the Vote			
Estimate provision	Account	1,442,469	
Deferred surrender	Account	(29,105)	
Surplus to be surrendered	Account	(4,767)	
Net vote		1,408,597	1,260,864
Expenditure (cash) borne elsewhere	1	19,803	20,426
Non cash expenditure – notional rent	1	714	1,212
Net programme cost	1	(1,426,623)	(1,284,130)
Capital asset adjustment	2.2	36	464
Capital asset transfer	2.3	—	(3,484)
<b>Balance at 31 December</b>		<b>12,843</b>	<b>10,316</b>

**2.2 Capital Assets**

	Land and buildings €000	Office equipment €000	Furniture and fittings €000	Motor vehicles €000	Specialist equipment €000	Total €000
<b>Gross assets</b>						
Cost or valuation at 1 January 2014	2,396	17,492	2,314	9,940	17,701	49,843
Adjustment <sup>a</sup>	—	—	—	—	36	36
Additions	—	1,459	3	842	781	3,085
Disposals	—	—	—	(19)	—	(19)
Cost or valuation at 31 December 2014	2,396	18,951	2,317	10,763	18,518	52,945
<b>Accumulated depreciation</b>						
Opening balance at 1 January 2014	—	14,960	1,162	7,594	16,128	39,844
Depreciation for the year	—	1,028	292	909	886	3,115
Disposals	—	—	—	(19)	—	(19)
Cumulative depreciation at 31 December 2014	—	15,988	1,454	8,484	17,014	42,940
<b>Net assets at 31 December 2014</b>	<b>2,396</b>	<b>2,963</b>	<b>863</b>	<b>2,279</b>	<b>1,504</b>	<b>10,005</b>
<b>Net assets at 31 December 2013</b>	<b>2,396</b>	<b>2,532</b>	<b>1,152</b>	<b>2,346</b>	<b>1,573</b>	<b>9,999</b>

<sup>a</sup> The adjustment is to bring this schedule in line with the Department's Capital Asset Register.

**2.3 Capital Assets under Development**

	2014 €000	2013 €000
at 31 December		
Amounts brought forward at 1 January	38	3,487
Cash payments for the year	—	35
Transferred to capital assets	(38)	—
Transfer to OPW <sup>a</sup>	—	(3,484)
Balance at 31 December	—	38

<sup>a</sup> The transfer to OPW reflects the amounts previously recognised as assets under development by the Department in respect of the value of capital improvements on coastguard stations. The Department funds capital works on coastguard buildings which are owned by the OPW.

**2.4 Bank and Cash**

	2014 €000	2013 €000
at 31 December		
PMG balances and cash	33,162	4,408
Commercial bank accounts	112	97
	<b>33,274</b>	<b>4,505</b>

<b>2.5 Stocks</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>
Stationery and office supplies	26	40
IT consumables	18	22
Specialised consumables (Irish Coast Guard)	547	507
	<u>591</u>	<u>569</u>

<b>2.6 Other Debit Balances</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>
Retirement lump sums	68	978
OPW agency services	934	—
Other	596	165
	<u>1,598</u>	<u>1,143</u>

<b>2.7 Other Credit Balances</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>
Amounts due to the State		
Pay Related Social Insurance	3	—
Professional Services Withholding Tax	42	32
Value Added Tax	191	207
	<u>236</u>	<u>239</u>
Pension charges	165	136
Other	—	4
	<u>401</u>	<u>379</u>

<b>2.8 Net Liability to the Exchequer</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	4,768	4,918
Deferred surrender	29,105	4,800
Exchequer grant undrawn/(overdrawn)	598	(4,449)
Net liability to the Exchequer	<u>34,471</u>	<u>5,269</u>

**Represented by:****Debtors**

Bank	33,274	4,505
Debit balances: suspense	1,598	1,143
	<u>34,872</u>	<u>5,648</u>

**Creditors**

Due to State	(236)	(239)
Credit balances: suspense	(165)	(140)
	<u>(401)</u>	<u>(379)</u>
	<u>34,471</u>	<u>5,269</u>

<b>2.9 Commitments</b>	<b>2014</b>	<b>2013</b>
at 31 December	<b>€000</b>	<b>€000</b>

**(a) Global commitments**

(i) Procurement subheads	474,015	534,836
(ii) Grant subheads <sup>a</sup>	127,806	42,923
Total of legally enforceable commitments	<u>601,821</u>	<u>577,759</u>

<sup>a</sup> The 2013 grant commitment figure did not include commitments entered into prior to 2013 in relation to the Department's Sports Capital Funding programme. This has been corrected in 2014 and all commitments are included.

	<b>2014</b>	<b>2013</b>
<b>Commitments under procurement subheads</b>	<b>€000</b>	<b>€000</b>
Search and rescue helicopter services <sup>b</sup>	449,324	511,434
Airports	15,780	6,546
Vehicle/driving licencing	3,981	10,750
Sustainable Travel	1,080	1,700
Air Accident Investigation Unit	279	345
Information Technology	529	347
Coast Guard services	3,042	3,714
	<u>474,015</u>	<u>534,836</u>

**(b) Multi-annual capital commitments**

				<b>2014</b>	<b>2013</b>
	<b>Expenditure to 31 December 2013</b>	<b>Expenditure</b>	<b>Subsequent years</b>	<b>Project total</b>	<b>Project total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
Search and rescue helicopter services <sup>b</sup>	29,022	5,504	—	34,526	34,526
Smarter Travel Areas	5,880	5,206	11,914	23,000	23,000

<sup>b</sup> Commitments in relation to the search and rescue helicopter services contract which commenced on 1 July 2012 includes commitments of both an operational and capital nature. The estimated commitment of €449.3 million relates to future payments which include monthly standing charges, hourly flying and fuel charges based on estimated flying hours and airport and ancillary charges. The cost in 2014 was €62 million. Up front capital payments due under this contract were fully discharged in 2014.

<b>2.10 Matured Liabilities</b>	<b>2014</b>	<b>2013</b>
	<b>€000</b>	<b>€000</b>

Estimate of matured liabilities not discharged at year end	46	82
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### 3 Programme Expenditure by Subhead

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>A</b>	<b>Civil aviation</b>			
A.1	Administration - pay	2,934	2,763	2,980
A.2	Administration - non pay	822	605	665
A.3	Regional airports	12,000	12,881	13,288
A.4	Miscellaneous aviation services	11,941	9,290	9,932
		27,697	25,539	26,865

#### Significant variations

Overall, the expenditure in relation to Programme A was €2.16 million lower than provided. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration - non pay	217	The underspend represents a proportionate distribution by programme heading of the savings achieved in the Department's administrative budget. These arose primarily in travel and subsistence expenditure, followed by telephony costs and a lower than anticipated spend on consultancies.
Regional airports	(881)	The overspend relates primarily to additional funding required to extend the Public Service Obligations (PSO) contracts for Donegal/Dublin and Kerry/Dublin air services routes beyond the original November cut-off point.
Miscellaneous aviation services	2,651	<p>This subhead includes subscriptions to international organisations, payments to the Irish Aviation Authority and provision for certain consultancy work.</p> <p>Subscriptions to international organisations were over €1.8 million less than anticipated. Subscriptions are determined by the organisations to which payments are due including Eurocontrol, International Civil Aviation Authority, European Civil Aviation Authority and Austria, Belgium, Ireland and Switzerland (ABIS).</p> <p>Payments to the Irish Aviation Authority were €500,000 less than anticipated. These payments cover the costs of aeronautical communication services provided to certain specified classes of airspace users (e.g. military aircraft, State aircraft) and are a function of the number of flights passing through Irish controlled airspace each year.</p> <p>In addition, a planned consultancy did not proceed yielding savings of €300,000. Consultants were to commence a review of the airport economic regulatory regime in 2014. However, due to other work priorities, the procurement of consultants was postponed until 2015 in line with the Department's Statement of Strategy commitments and the new National Aviation Policy.</p>

		2014		2013
		Estimate provision		Outturn
		€000	€000	€000
<b>B</b>	<b>Land transport</b>			
B.1	Administration - pay		9,601	9,269
B.2	Administration - non pay		2,429	2,690
B.3	Road improvement/ maintenance			
	<i>Original</i>	751,155		
	<i>Supplementary</i>	47,100	798,255	793,914
B.4	Road safety agencies and expenses			804,804
	<i>Original</i>	7,825		
	<i>Supplementary</i>	(1,056)	6,769	4,455
B.5	Vehicle and driver licencing expenses		14,500	15,323
B.6	Smarter travel and carbon reduction			
	<i>Original</i>	13,100		
	<i>Supplementary</i>	1,600	14,700	14,145
B.7	Public service provision payments		221,363	224,188
B.8	Public transport investment programme			
	<i>Original</i>	283,220		
	<i>Supplementary</i>	110,950	394,170	395,053
B.9	Public transport agencies and expenses		12,133	12,887
B.10	Miscellaneous services		78	26
			1,473,998	1,471,950
				1,362,245

#### Significant variations

Overall, the expenditure in relation to Programme B was €2.05 million lower than provided. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration - non pay	(261)	The overspend is the net impact on this programme heading of additional costs associated with a court case relevant to this particular programme, offset to a degree by administrative savings elsewhere across the Department in areas such as travel and subsistence.

Description	Less/(more) than provided €000	Explanation
Road improvement/ maintenance	4,341	Expenditure in relation to road improvement/ maintenance was some €42.8 million higher than the original estimate provision. Additional expenditure (€33 million) was incurred on foot of stimulus funding committed in May 2014 towards road improvements at national, regional and local level. Additional expenditure (€14.1 million) was also incurred on foot a severe weather initiative in February 2014 to enable repair works to be undertaken. Both sums were included in the supplementary estimate approved by the Oireachtas. Overall expenditure in 2014 was €4.3 million less than anticipated as a result of savings of €2.26 million in relation to an Interreg roads project which did not proceed as planned and a lower than anticipated appropriations-in-aid contribution to the Regional and Local Roads Programme from the Local Government Fund.
Road safety agencies and expenses	2,314	The Department's objective is that the Road Safety Authority move towards a self financing position and fund its operations from statutory charges and levies. The Department had budgeted to pay €3.37 million to the Road Safety Authority in 2014 in relation to current expenditure. The Road Safety Authority did not draw down any funds in relation to its current allocation in 2014 owing to increased operational efficiencies and higher than expected income from NCT car testing and commercial vehicle roadworthiness testing.
Vehicle and driver licencing expenses	(823)	Expenditure was higher than estimated in the Department's Driver and Vehicle Computer Services Division which processes online motor tax applications as online motor tax applications were 20% higher than estimated.
Smarter travel and carbon reduction	555	Expenditure in 2014 was €1.05 million higher than originally estimated. A supplementary allocation of €1.6 million was made to meet a stimulus funding round agreed by Government in May 2014 towards the Greenways Programme. The underspend of €550,000 in this subhead relates to savings in the "bikeweek" programme and delays in the roll out of certain cycling infrastructures planned under the National Cycling Network (NCN) and Active Travel Towns (ATT) programmes.



Description	Less/(more) than provided €000	Explanation
Public service provision payments	(2,825)	<p>Expenditure was €2.8 million more than estimated due to</p> <ul style="list-style-type: none"> <li>- the provision of €2.5 million additional current funding to the National Transport Authority for its PSO subvention funding The additional amount of €2.5 million is required to offset deficits arising under the contracts with the CIÉ companies for the provision of PSO services</li> <li>- additional funding of €650,000 to maintain 2013 level of services under the Rural Transport Programme</li> <li>- savings of €300,000 under the Green Schools Programme due to efficiencies arising from a new Service Level agreement between the Department, the NTA and An Taisce.</li> </ul>
Public transport investment programme	(883)	<p>A supplementary allocation of €110.95 million was made under the stimulus funding round agreed by Government in May 2014 (€5 million), severe weather repairs funding agreed by Government in February 2014 (€6.8 million) and additional commitments arising in 2014 within the public transport programme, including bus fleet renewals, LUAS Cross City and the heavy rail safety and development programme (€99.15 million).</p> <p>The additional requirement over and above the supplementary estimate relates to a funding requirement to progress an Interreg project.</p>
Public transport agencies and expenses	(754)	<p>Additional amounts over and above those estimated were provided to the National Transport Authority (€730,000) and the Railway Safety Commission (€24,000) to cover increased operating and pension costs and to meet a pay shortfall.</p>

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>C</b>	<b>Maritime transport and safety</b>			
C.1	Administration - pay		11,467	12,223
C.2	Administration - non pay		2,790	2,554
C.3	Maritime administration and Irish Coast Guard			
	Current year provision	80,039		
	Deferred surrender	4,800	84,839	78,971
C.4	Miscellaneous services		86	83
			99,182	93,831
				97,702

**Significant variations**

Overall, the expenditure in relation to Programme C was €5.35 million lower than provided. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration - pay	(756)	The Department's overall pay expenditure is allocated to individual programmes on the basis of headcount. The overspend in relation to Maritime Division was higher than estimated due primarily to increased overtime costs.
Administration - non pay	236	The underspend represents a proportionate distribution by programme heading of the savings achieved in the Department's administrative budget. These arose primarily in travel and subsistence expenditure; followed by telephone costs and a lower than anticipated spend on consultancies.
Maritime administration and Irish Coast Guard	5,868	The underspend relates primarily to reductions in costs in respect of the Commissioner for Irish lights due to <ul style="list-style-type: none"> <li>- Changes in its pension scheme arrangements which resulted in expenditure being €2.67 million lower than estimated. In April 2014, the CIL pension scheme transferred to the UK's Principal Service Pension Scheme. As a result, expenditure incurred by CIL reduced as the costs are now limited to payments in respect of employer contributions.</li> <li>- Programme efficiencies in CIL resulting in expenditure being €330,000 less than budgeted.</li> </ul>

		2014		2013
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>D</b>	<b>Sports and recreation services</b>			
D.1	Administration - pay		1,600	1,505
D.2	Administration - non pay		432	274
D.3	Grants for sporting bodies and provision of sports and recreational facilities (part funded by National Lottery)			
	<i>Original</i>	23,000		
	<i>Supplementary</i>	1,000	24,000	20,944
D.4	Grants for provision and renovation of swimming pools		10,300	849
D.5	Irish Sports Council/ National Sports Campus (grant-in-aid) (part funded by National Lottery)			
	<i>Original</i>	60,136		
	<i>Supplementary</i>	892	61,028	49,444
			97,360	73,016
				74,481

#### Significant variations

Overall, the expenditure in relation to Programme D was €24.34 million less than provided.

This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration - non pay	158	This underspend represents a proportionate distribution by programme heading of the savings achieved in the Department's administrative budget. These arose primarily in travel and subsistence costs, followed by telephony costs and a lower than anticipated spend on consultancies.
Grants for sporting bodies and provision of sports and recreational facilities (part funded by National Lottery)	3,056	The supplementary allocation of €1 million was to meet an additional allocation for special equipment grants for national governing bodies of sport. The underspend of €3 million under the sports capital programme relates to delays in the drawdown of grant commitments made under the July 2014 round of allocations (most of which have been carried over to 2015).
Grants for provision and renovation of swimming pools	9,451	The underspend relates to slower than anticipated drawdown of grant commitments under this programme resulting in a carryover of the bulk of the underspend into 2015. The slow drawdown can be attributed to a number of factors including building delays, tendering issues and match funding constraints at local authority level.

Description	Less/(more) than provided €000	Explanation
Irish Sports Council/ National Sports Campus (grant-in-aid) (part funded by National Lottery)	11,584	The underspend relates to delayed progress on the National Indoor Arena project (which has been carried forward to 2015).

		<b>2014</b>		<b>2013</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>E</b>	<b>Tourism services</b>			
E.1	Administration - pay		1,067	851
E.2	Administration - non pay		352	143
E.3	Fáilte Ireland (grant -in-aid)			
	<i>Original</i>	60,714		
	<i>Supplementary</i>	294	61,008	61,008
E.4	Tourism Ireland Limited - grant for administration and general expenses		15,260	15,560
E.5	Tourism marketing fund (grant-in-aid)			
	<i>Original</i>	35,476		
	<i>Supplementary</i>	800	36,276	36,276
E.6	Tourism product development (grant -in-aid)			
	<i>Original</i>	24,200		
	<i>Supplementary</i>	500	24,700	20,700
			<b>138,663</b>	<b>134,538</b>
				<b>139,208</b>

#### Significant variations

Overall, the expenditure in relation to Programme E was €4.13 million lower than provided. This was mainly due to the following:

<b>Description</b>	<b>Less/(more) than provided €000</b>	<b>Explanation</b>
Administration - non pay	209	This underspend represents a proportionate distribution by programme heading of the savings achieved in the Department's administrative budget. These arose primarily in travel and subsistence expenditure, followed by telephone costs and a lower than anticipated spend on consultancies.
Tourism Ireland Limited - grant for administration and general expenses	(300)	The overspend relates to an additional requirement for pension/ lump sum payments.
Tourism product development (grant - in-aid)	4,000	The underspend of €4 million related to delayed progress on the Wild Atlantic Way initiative (carried over to 2015).  A supplementary allocation of €500,000 was provided to meet commitments arising from the stimulus funding round agreed by Government in May 2014, specifically the development of Lough Derg (Counties Clare and Tipperary) as a tourism destination.

## 4 Receipts

4.1 Appropriations-in-aid		2014		2013
		Estimated €000	Realised €000	Realised €000
<b>Administration</b>				
1.	Receipts from pension-related deduction on public service remuneration	4,631	4,429	5,256
<b>Civil Aviation</b>				
2.	Irish Aviation Authority refund of subscriptions to international organisations	7,095	6,463	7,006
3.	Irish Aviation Authority recoupment of rents, etc.	394	394	394
4.	Irish Aviation Authority payment for associated costs	2,391	2,168	2,237
<b>Land Transport</b>				
5.	Road transport licence fees	479	828	667
6.	Receipts from Local Government Fund	376,443	372,443	421,841
7.	Miscellaneous land transport receipts	2,000	2,363	831
<b>Maritime Transport and Safety</b>				
8.	Receipts under the Merchant Shipping and Wireless Telegraphy Act, 1919	400	550	550
<b>Tourism Services</b>				
9.	Tourism Ireland pension receipts	168	214	188
<b>Sports Services</b>				
10.	Irish Sports Council pension receipts	90	175	277
<b>Miscellaneous Receipts</b>				
11.	Miscellaneous receipts	340	250	390
<b>Total</b>		<b>394,431</b>	<b>390,277</b>	<b>439,637</b>

### Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%.

Description	Less/(more) than provided €000	Explanation
Irish Aviation Authority refund of subscriptions to international organisations	632	The Department recoup certain costs from IAA for insurance, salaries, travel and subsistence costs etc. where these relate to policy areas such as air navigation policy and air safety policy. In 2014 these costs were less than originally estimated.
Irish Aviation Authority payment for associated costs	223	The Department recoup certain costs from IAA for insurance, salaries, travel and subsistence costs etc. where these relate to policy areas such as air navigation policy and air safety policy. In 2014 these costs were less than originally estimated.
Road transport licence fees	(349)	Due to the upturn in the economy, applications for licences and renewals were greater than anticipated.

Description	Less/(more) than provided €000	Explanation
Receipts from Local Government Fund	4,000	The estimate for receipts from the Local Government Fund is agreed at the start of the year based on projections of income from motor tax receipts. By year end, the expected out-turn for motor tax receipts was less than originally anticipated resulting in a lower than anticipated contribution from the Fund.
Miscellaneous land transport receipts	(363)	Receipts were higher than estimated due to additional National Transport Agency pension related deductions.
Receipts under the Merchant Shipping and Wireless Telegraphy Acts, 1919	(150)	Receipts were higher than anticipated due to increased income generated from a higher volume of seafarer examinations/certifications, ship radio licence applications and ship surveys.

**4.2 Extra receipts payable to the Exchequer**

	<b>2014</b>	<b>2013</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	—	—
Pobal, refund of unspent grants arising from programme savings and efficiencies	9	—
Proceeds for completion of sale of premises	—	12
Shannon Development rents <sup>a</sup>	15	—
Sports capital grant refunds <sup>b</sup>	25	—
EU refund from Northern Periphery Programme Roadex IV <sup>c</sup>	60	—
Medical Bureau of Road Safety refund of unspent grant <sup>d</sup>	200	220
Receipt from Bus Éireann for school transport	—	292
EU receipt for pre-financing of Dublin interconnector tunnel project <sup>e</sup>	365	359
EU receipt for Dart underground project <sup>e</sup>	—	3,855
Pension service payment	2	—
Shipping company receipts	3	—
Refund from shipping company	—	—
Valuation fee-Valentia Island	1	—
Refund of RTTP current funding	3	—
Capital sale	103	—
Road Safety Authority pension contributions and notional service	485	—
Transferred to Exchequer	<u>(1,271)</u>	<u>(4,738)</u>
Balance at 31 December	<u>—</u>	<u>—</u>

<sup>a</sup> Moneys for rents collected by the Shannon Airport Authority (SAA) on behalf of the Minister.

<sup>b</sup> Grant moneys were returned to the Vote because, following an examination by the Department, it concluded that the moneys had been drawn down in contravention of the terms and conditions of the Sports Capital Programme.

<sup>c</sup> The refund is in relation to EU road project funded via the NPPROADex IV programme

<sup>d</sup> The Medical Bureau of Road Safety repaid €200,000 in respect of unspent grant moneys.

<sup>e</sup> The final pre-financing payment for the Ten - T project was received by the Department from the European Commission's Trans-European Transport Network Agency for onward transmission to the Department of Finance.



## 5 Employee Numbers and Pay

	2014	2013
<b>Number of staff at year end</b> (full time equivalents)		
<b>Department</b>	426	448
<b>Agencies</b>		
Commission for Aviation Regulation	14	16
Fáilte Ireland	320	376
Irish Sports Council	35	37
Medical Bureau of Road Safety	34	33
National Roads Authority	101	105
National Sports Campus Development Authority	3	4
National Transport Authority	74	75
Railway Safety Commission	10	10
Roads Safety Authority	282	289
Tourism Ireland	148	152
	<u>1,021</u>	<u>1,097</u>

	2014	2013
	€000	€000
<b>Department</b>		
Pay	23,460	24,461
Higher, special or additional duties allowance	499	657
Other allowances	530	489
Overtime	694	647
Employer's PRSI	1,428	1,453
<b>Total pay</b>	<u><u>26,611</u></u>	<u><u>27,707</u></u>

### 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2014 €	Maximum individual payment 2013 €
Higher, special or additional duties	86	41	20,703	20,793
Other allowances	105	—	7,041	10,511
Overtime	85	16	40,149	41,274

Certain individuals received extra remuneration in more than one category.

### 5.2 Other Remuneration Arrangements

Five retired civil servants, in receipt of civil service pensions, were re-engaged on a fee basis at a total cost of €112,534. Pension abatement rules were applied where appropriate.

**5.3 Payroll overpayments**

The amount of overpayments arising due to delays in salary instructions in 2014 was €49,948 in relation to 34 individual cases. Of this, €34,357 has been recouped. People-Point is following up on residual overpayments.

	<b>2014</b>	<b>2013</b>
	<b>€000</b>	<b>€000</b>
Payroll overpayments	50	7
	<u>50</u>	<u>7</u>

## 6 Miscellaneous

### 6.1 National Lottery Funding

Total expenditure of €70.39 million (€57 million in 2013) under subheads D.3 and D.5 was part funded by the National Lottery.

A full list of payments to grantees under subhead D.3 is available on the Department's website, ([www.dttas.ie](http://www.dttas.ie)).

### 6.2 Legal Costs

Compensation and associated legal costs totalling €1.06 million and ranging from €1,261 to €900,000 were paid in three cases taken against the Minister.

	2014	2013
	€000	€000
Legal costs	60	45
Compensation costs	1,000	38
	<u>1,060</u>	<u>83</u>

### 6.3 Contingent Liabilities

The Department is involved in a number of legal cases the outcome of which is difficult to determine.

### 6.4 Write offs

The following sums were written off in the year:

	2014	2013
	€000	€000
Suspense account balance re term time	17	—
	<u>17</u>	<u>—</u>

### 6.5 Carryover to 2015

Under the provision of section 91 of the Finance Act 2004, €29.11 million in unspent allocation in respect of capital elements for subheads C.3, D.3, D.4, D.5 and E.6 was carried forward to 2015.