

Appropriation Account 2015

Vote 31

Transport, Tourism and Sport

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 2015 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 and certain other services.

The expenditure outturn is compared with the sums:

- (a) granted by Dáil Éireann under the Appropriation Act 2015, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2015 out of unspent 2014 appropriation, under the deferred surrender arrangements established by Section 91 of the Finance Act 2004.

A surplus of €5.97 million is liable for surrender to the Exchequer.

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 year prior to the year of disposal at the following 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.

Assurance on Shared Services

Payroll and human resource functions are provided on a shared services basis by the National Shared Service Office (Vote 18). The Accounting Officer of the Department of Public Expenditure and Reform is Accounting Officer for Vote 18 also and is responsible for the operation of controls within the Shared Service Centres.

The Accounting Officer for Shared Services has put in place an audit process to provide independent assurance on the operation of controls within shared services. The audits are being conducted by firms of accountants in accordance with the International Standard on Assurance Engagements (ISAE 3402) which is designed to report to user departments and their auditors on the controls within shared services.

The audits encompass (i) a readiness assessment to identify risks and related controls and provide a gap analysis, followed by (ii) a report on the design and existence of controls, and (iii) an annual report on whether controls operated effectively.

The Accounting Officer for shared services has provided me with a letter outlining progress in implementing the audit assurance process and the results of the audits on the design, existence and operation of controls are expected to be reported to me as set out in that Letter.

I take assurance from the system of control within shared services as reported to me by the Accounting Officer for Shared Services.

Financial Control Environment

- 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

In addition, the Finance Division of the Department has been certified as compliant with ISO: 9001:2008 and retains certification up to 21st February 2017, with respect to its management procedures.

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.

Graham Doyle

Accounting Officer

Department of Transport, Tourism and Sport

29 March 2016

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 2015 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 2015.

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

Seamus McCarthy

Comptroller and Auditor General

30 June 2016

Vote 31 Transport, Tourism and Sport

Appropriation Account 2015

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Civil aviation		26,416	25,539
B	Land transport			
	<i>Original</i>	1,285,438		
	<i>Supplementary</i>	112,200	1,397,638	1,471,950
C	Maritime transport and safety			
	<i>Current year provision</i>	90,597		
	<i>Deferred surrender</i>	1,140	91,737	93,831
D	Sports and Recreation Services			
	<i>Original</i>	90,441		
	<i>Supplementary</i>	800		
	<i>Deferred surrender</i>	23,965	115,206	73,016
E	Tourism services			
	<i>Original</i>	119,796		
	<i>Supplementary</i>	1,000		
	<i>Deferred surrender</i>	4,000	124,796	134,538
Gross expenditure				
	<i>Original</i>	1,612,688		
	<i>Supplementary</i>	114,000		
	<i>Deferred surrender</i>	29,105		
			1,755,793	1,728,633
	<i>Deduct</i>			
F	Appropriations-in-aid			
	<i>Original</i>	396,756		
	<i>Supplementary</i>	14,000	410,756	390,277
Net expenditure				
	<i>Original</i>	1,215,932		
	<i>Supplementary</i>	100,000		
	<i>Deferred surrender</i>	29,105		
			1,345,037	1,322,970
				1,408,597

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.

	2015	2014
	€	€
Surplus	22,066,761	33,872,830
Deferred surrender	(16,100,000)	(29,105,000)
Surplus to be surrendered	<u>5,966,761</u>	<u>4,767,830</u>

Analysis of administration expenditure

		2015	2014
	Estimate provision	Outturn	Outturn
	€000	€000	€000
i	Salaries, wages and allowances	28,025	26,770
ii	Travel and subsistence	1,147	985
iii	Training and development and incidental expenses	1,605	1,861
iv	Postal and telecommunications services	520	373
v	Office equipment and external IT services	1,584	1,621
vi	Office premises expenses	564	594
vii	Consultancy services and value for money and policy reviews	1,065	360
	34,510	32,564	32,876

Notes to the Appropriation Account

1 Operating Cost Statement 2015

	2015		2014
	€000	€000	€000
Programme cost		1,696,068	1,765,998
Pay		26,770	26,611
Non pay		5,795	6,265
Gross expenditure		1,728,633	1,798,874
<i>Deduct</i>			
Appropriations-in-aid		405,663	390,277
Net expenditure		1,322,970	1,408,597
Changes in capital assets			
Purchases cash	(5,344)		
Disposals cash	69		
(Profit)/loss on disposals	(69)		
Depreciation	3,184		
		(2,160)	68
Changes in net current assets			
Increase in closing accruals	3,666		
Increase in stock	(613)		
		3,053	(2,559)
Direct expenditure		1,323,863	1,406,106
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		15,504	19,803
Notional rents		742	714
Net programme cost		1,340,109	1,426,623

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.

		2015	2014
		€000	€000
Vote 7 Finance	e	—	93
Vote 9 Office of the Revenue Commissioners	e	105	75
Vote 12 Superannuation and Retired Allowances	e	10,102	14,845
Vote 13 Office of Public Works	e	4,812	4,369
Vote 18 Shared Services	e	39	21
Central Fund - Ministerial pensions	e	446	400
		15,504	19,803

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

2 Balance Sheet as at 31 December 2015

	Note	2015 €000	2014 €000
Capital assets	2.2	12,165	10,005
		12,165	10,005
Current assets			
Bank and cash	2.3	18,774	33,274
Stocks	2.4	1,204	591
Prepayments		671	2,551
Accrued income		—	2,000
Other debit balances	2.5	556	1,598
Total current assets		21,205	40,014
Less current liabilities			
Accrued expenses		2,090	2,304
Other credit balances	2.6	461	401
Net liability to the Exchequer	2.7	18,869	34,471
Total current liabilities		21,420	37,176
Net current (liabilities)/assets		(215)	2,838
Net assets		11,950	12,843
Represented by:			
State funding account	2.1	11,950	12,843

2.1 State Funding Account	Note	2015 €000	2014 €000
Balance at 1 January		12,843	10,316
Disbursements from the Vote			
Estimate provision	Account	1,345,037	
Deferred surrender	Account	(16,100)	
Surplus to be surrendered	Account	(5,967)	
Net vote		1,322,970	1,408,597
Expenditure (cash) borne elsewhere	1	15,504	19,803
Non cash expenditure – notional rent	1	742	714
Net programme cost	1	(1,340,109)	(1,426,623)
Capital asset adjustment	2.2	—	36
Balance at 31 December		11,950	12,843

2.2 Capital Assets

	Land and buildings	Office equipment	Furniture and fittings	Motor vehicles	Specialist equipment	Total
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2015	2,396	18,951	2,317	10,763	18,518	52,945
Adjustment *	—	450	(410)	—	(40)	—
Additions	—	1,283	4	2,796	1,261	5,344
Disposals	—	—	—	(528)	—	(528)
Cost or valuation at 31 December 2015	2,396	20,684	1,911	13,031	19,739	57,761
Accumulated depreciation						
Opening balance at 1 January 2015	—	15,988	1,454	8,484	17,014	42,940
Adjustment	—	324	(324)	—	—	—
Depreciation for the year	—	1,159	240	1,176	609	3,184
Disposals	—	—	—	(528)	—	(528)
Cumulative depreciation at 31 December 2015	—	17,471	1,370	9,132	17,623	45,596
Net assets at 31 December 2015	2,396	3,213	541	3,899	2,116	12,165
Net assets at 31 December 2014	2,396	2,963	863	2,279	1,504	10,005

* The adjustment arose as a result of the re-categorisation of assets.

2.3 Bank and Cash

at 31 December

2015**2014****€000****€000**

PMG balances and cash

18,703

33,162

Commercial bank accounts

71

112

18,774**33,274****2.4 Stocks**

at 31 December

2015**2014****€000****€000**

Stationery and office supplies

25

26

IT consumables

18

18

Specialised consumables (Irish Coast Guard)

1,161

547

1,204**591**

2.5 Other Debit Balances	2015	2014
at 31 December	€000	€000
Retirement lump sums	46	68
OPW agency services	418	934
Other	92	596
	556	1,598

2.6 Other Credit Balances	2015	2014
at 31 December	€000	€000
Amounts due to the State	—	—
Pay Related Social Insurance	2	3
Professional Services Withholding Tax	148	42
Value Added Tax	29	191
	179	236
Pension charges	229	165
Other	53	—
	461	401

2.7 Net Liability to the Exchequer	2015	2014
at 31 December	€000	€000
Surplus to be surrendered	5,967	4,768
Deferred surrender	16,100	29,105
Exchequer grant undrawn	(3,198)	598
Net liability to the Exchequer	18,869	34,471

Represented by:**Debtors**

Bank	18,774	33,274
Debit balances: suspense	556	1,598
	19,330	34,872

Creditors

Due to State	(179)	(236)
Credit balances: suspense	(282)	(165)
	(461)	(401)
	18,869	34,471

2.8 Commitments	2015	2014
at 31 December	€000	€000

(a) Global commitments

(i) Procurement subheads	415,570	474,015
(ii) Grant subheads	142,886	127,806
Total of legally enforceable commitments	558,456	601,821

	2015	2014
	€000	€000
Commitments under procurement subheads		
Search and rescue helicopter services ^a	389,872	449,324
Airports	15,973	15,780
Vehicle/driving licencing	5,872	3,981
Sustainable Travel	800	1,080
Air Accident Investigation Unit	273	279
Information technology	545	529
Coast Guard services	2,235	3,042
	415,570	474,015

(b) Multi-annual capital commitments

	Cumulative expenditure to 31 December 2014	Expenditure in 2015	Project commitments in subsequent years	Expected total spend lifetime of project 2015	Expected total spend lifetime of project 2014
	€000	€000	€000	€000	€000
Search and rescue helicopter services ^a	34,526	—	—	—	34,526
Smarter Travel Areas	14,000	5,150	4,100	23,250	23,000

^a 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 €389.8 million relates to future payments which include monthly standing charges, hourly flying and fuel charges based on estimated flying hours and airport ancillary charges. The cost in 2015 was €62 million. Up front capital payments due under this contract were fully discharged in 2014.

2.9 Matured Liabilities

	2015	2014
	€000	€000
Estimate of matured liabilities not discharged at year end	31	46

3 Programme Expenditure by Subhead

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A	Civil aviation			
A.1	Administration - pay	3,030	2,825	2,763
A.2	Administration - non pay	1,188	975	605
A.3	Regional airports	12,000	11,993	12,881
A.4	Miscellaneous aviation services	10,198	8,999	9,290
		26,416	24,792	25,539

Significant variations

Overall, the expenditure in relation to Programme A was €1.624 million lower than estimated (representing a variance of 6%). This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Miscellaneous aviation services	1,199	The Department pays the Irish Aviation Authority (IAA) to cover subscriptions costs for international organisations such as Eurocontrol and ICAO. These costs were less than anticipated.

		2015		2014
		Estimate provision		Outturn
		€000	€000	€000
B	Land transport			
B.1	Administration - pay		10,359	9,295
B.2	Administration - non pay		2,199	2,003
B.3	Road improvement/maintenance			
	Original	728,520		
	Supplementary	35,160	763,680	764,860
B.4	Road safety agencies and expenses			793,914
	Original	4,366		
	Supplementary	260	4,626	4,504
B.5	Vehicle and driver licencing expenses		14,500	15,471
B.6	Smarter travel and carbon reduction			
	Original	21,350		
	Supplementary	3,000	24,350	20,292
B.7	Public service provision payments		221,363	221,272
B.8	Public transport investment programme			224,188
	Original	270,848		
	Supplementary	73,780	344,628	338,974
B.9	Public transport agencies and expenses		11,855	14,913
B.10	Miscellaneous services		78	76
			1,397,638	1,391,660
				1,471,950

Significant variations

Overall, the expenditure in relation to Programme B was €5.978 million less than estimated, representing a variance of 0.4%. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Road improvement / maintenance	(1,180)	<p>Expenditure in relation to road improvement/maintenance was over €36.3 million higher than the original estimate.</p> <p>Additional funding of €35.16 million was allocated as part of a supplementary estimate to address critical pavement works on national roads and improve sub-standard road pavements on regional and local roads.</p> <p>Further funding totalling €1.18 million was vired from elsewhere in the Vote to meet a €680,000 shortfall in the NRA's operating costs and €500,000 to meet on-going shortfalls in the allocation for minor schemes under the Roads Programme.</p>

Description	Less/ (more) than provided €000	Explanation
Road safety agencies and expenses	122	<p>A supplementary estimate of €260,000 was required to meet additional spending arising from planned legislation to enable An Garda Síochana to carry out driver narcotics testing.</p> <p>The total spend increased by €148,000 over the original estimate to enable the Medical Bureau of Road Safety to purchase certain drug testing equipment.</p> <p>The underspend of €122,000 occurred as the necessary legislation did not progress in the timeframe originally anticipated.</p>
Vehicle and driver licencing expenses	(971)	<p>Expenditure was higher than estimated due to increased costs associated with the Driver Licencing operations, particularly postage and charges for the use of debit cards.</p>
Smarter travel and carbon reduction	4,058	<p>Additional funding of €3 million was allocated by way of a supplementary estimate to complete the Mullingar – Athlone Greenway. This was fully spent.</p> <p>Receipts from the Local Government Fund were less than anticipated. Expenditure on this subhead is linked to receipts from the Fund. Accordingly, expenditure was reduced to take account of €2 million in lower than anticipated receipts.</p> <p>The balance of the underspend relates to delays in progressing the Active Towns Programme for which funding of €2 million was carried over to 2016.</p>

Description	Less/ (more) than provided €000	Explanation
Public transport investment programme	5,654	<p>Additional funding of almost €74 million was allocated by way of a supplementary estimate to maintain the heavy rail network, to replace and to expand the PSO Bus fleet, to expand city bike and safety measures and to meet matured liabilities arising in respect of the Luas Cross City construction costs in 2015. The supplementary funding was fully spent.</p> <p>Underspends totalling almost €5.6 million arose as follows: an Exchequer neutral virement of €2.9 million to Public Transport Agencies and Expenses subhead was done to ensure full staffing costs were reflected under the appropriate subhead for the newly formed Transport Infrastructure Ireland (merger of NRA and RPA); a re-prioritisation of €1.4 million from this subhead to the Tourism Programme; and slower than anticipated drawdown (of €1.3 million) in Sustainable Traffic Management Grants (carried over to 2016). These grants relate to projects across all local authority areas in the greater Dublin area. They involve local stakeholder engagement and planning consent from the relevant authorities which can delay expenditure.</p>
Public transport agencies and expenses	(3,058)	<p>Additional funding here reflected an Exchequer neutral virement of €2.9 million from the Public Transport Investment subhead to ensure full staffing costs were reflected under the appropriate subhead for the newly formed Transport Infrastructure Ireland (merger of NRA and RPA). There was also a further €81,000 required to meet a shortfall in the RPA's operating costs.</p>

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
C	Maritime transport and safety			
C.1	Administration - pay	11,882	12,119	12,223
C.2	Administration - non pay	2,444	2,429	2,554
C.3	Maritime administration and Irish Coast Guard			
	Current year provision	76,185		
	Deferred surrender	1,140	77,325	74,887
C.4	Miscellaneous services	86	84	83
		91,737	89,519	93,831

Significant variations

Overall, the expenditure in relation to Programme C was €2.218 million lower than estimated, representing a variance of 2%. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Maritime administration and Irish Coast Guard	2,438	<p>Commissioner of Irish Lights had a saving of €1.85 million as they continued to reduce their running costs in 2015. Key drivers of cost reduction include:</p> <ul style="list-style-type: none"> - consolidation and modernisation of lighthouses; - business process automation; - extended buoy maintenance schedules; - collaborative purchasing; and - transfer of local aids to navigation to third parties (local and port/harbour authorities). <p>The balance of the saving arose mainly from delays in capital works at Greystones coast guard station, the bulk of which has been carried forward to 2016.</p>

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
D	Sports and recreation services			
D.1	Administration - pay		1,658	1,592
D.2	Administration - non pay		362	246
D.3	Grants for sporting bodies and provision of sports and recreational facilities (part funded by National Lottery)			
	Current year provision	25,500		
	Deferred surrender	3,000	28,500	28,058
				20,944
D.4	Grants for provision and renovation of swimming pools			
	Current year provision	3,600		
	Deferred surrender	3,653	7,253	1,563
				849
D.5	Irish Sports Council/ National Sports Campus (part funded by National Lottery)			
	Original	57,056		
	Supplementary	800		
	Deferred surrender	17,312	75,168	68,687
				49,444
D. 6	Dormant accounts funding for sports measures		2,265	1,942
				—
		115,206	102,088	73,016

Significant variations

Overall, the expenditure in relation to Programme D was €13.118 million less than estimated, representing a variance of 11%. This was mainly due to the following:

Description	Less/(more) than provided €000	Explanation
Administration - non pay	116	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 costs, telephony costs and a lower than anticipated spend on consultancies.
Grants for provision and renovation of swimming pools	5,690	The underspend in this programme can be attributed to a number of factors including building delays, tendering issues and match funding constraints at local authority level. It is a demand-led programme and money is only paid from the subhead when all terms and conditions have been complied with by the relevant Local Authority.

Description	Less/(more) than provided €000	Explanation
Irish Sports Council/ National Sports Campus (part funded by National Lottery)	6,481	<p>Additional funding of €800,000 was allocated to accelerate the completion of the National Indoor Arena.</p> <p>A capital underspend of €7 million arose from delays in progressing other elements of the Sports Campus Development including Special Olympics HQ and office accommodation projects. This was carried over to 2016. The underspend was offset by higher than anticipated programme costs for Sport Ireland totalling €500,000.</p>
Dormant accounts funding for sports measures	323	The underspend arose as Sport Ireland, the body with responsibility for managing projects funded under this initiative did not have sufficient matured liabilities to enable drawdown of the funds from the Department.

		2015		2014
		Estimate provision	Outturn	Outturn
		€000	€000	€000
E	Tourism services			
E.1	Administration - pay	1,096	938	851
E.2	Administration - non pay	292	144	143
E.3	Fáilte Ireland	56,247	55,831	61,008
E.4	Tourism Ireland Limited - grant for administration and general expenses	14,758	14,758	15,560
E.5	Tourism Marketing Fund	34,053	34,053	36,276
E.6	Tourism Product Development			
	Original	13,350		
	Supplementary	1,000		
	Deferred surrender	4,000	18,350	20,700
		124,796	120,574	134,538

Significant variations

Overall, the expenditure in relation to Programme E was €4.222 million lower than estimated, representing a variance of 3%. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Administration - non pay	148	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 costs, telephony costs and a lower than anticipated spend on consultancies.
Fáilte Ireland	416	The underspend under this programme relates to savings in pension costs as take-up from a voluntary redundancy package was slower than anticipated.
Tourism Product Development	3,500	Additional funding of €1 million was provided by way of a supplementary estimate to further develop Ireland's Ancient East and Wild Atlantic Way initiatives. However, delays occurred in other planned projects due to longer than expected planning and lead in times. This resulted in an overall underspend of €3.5 million in the subhead.

4 Receipts

4.1 Appropriations-in-aid		2015		2014
		Estimated	Realised	Realised
	€000	€000	€000	€000
Administration				
1.	Receipts from pension-related deduction on public service remuneration	4,691	4,387	4,429
Civil Aviation				
2.	Irish Aviation Authority refund of subscriptions to international organisations	7,095	6,155	6,463
3.	Irish Aviation Authority recoupment of rents, etc.	394	394	394
4.	Irish Aviation Authority payment for associated costs	2,391	2,132	2,168
Land Transport				
5.	Road transport licence fees	479	953	828
6.	Receipts from Local Government Fund	376,443	370,043	372,443
7.	Miscellaneous land transport receipts			
	<i>Original</i>	2,000		
	<i>Supplementary</i>	14,000	16,379	2,363
Maritime Transport and Safety				
8.	Receipts under the Merchant Shipping and Wireless Telegraphy Act 1919	400	445	550
Tourism Services				
9.	Tourism Ireland pension receipts	168	280	214
Sports Services				
10.	Irish Sports Council pension receipts	90	412	175
11.	Dormant accounts funding	2,265	1,942	—
Miscellaneous Receipts				
12.	Miscellaneous receipts	340	2,141	250
Total		410,756	405,663	390,277

Explanation of significant variations

Overall, the income received via Appropriations in Aid was €5m lower than estimated, representing a variance of 1%. This was mainly due to the following

Description	Less/(more) than provided €000	Explanation
Receipts from pension-related deduction on public service remuneration	304	Receipts were less than anticipated as pension deductions can be difficult to accurately estimate.
Irish Aviation Authority refund of subscriptions to international organisations	940	The Department pays annual subscription fees to International Organisations, e.g. Eurocontrol, ICAO, ECAC and ABIS, and recoups funding from the Irish Aviation Authority. In 2015, the membership fees were less than anticipated and the amounts recouped were commensurately lower.
Irish Aviation Authority payment for associated costs	259	The Department recoups certain costs from Irish Aviation Authority for insurance, salaries, T&S costs etc. where these relate to policy areas such as air navigation policy and air safety policy. In 2015, these costs were less than estimated.

Description	Less/(more) than provided €000	Explanation
Road transport licence fees	(474)	Due to the upturn in the economy, applications (and associated fees) for licences and renewals were greater than anticipated.
Receipts from Local Government Fund	6,400	The original estimate of €376 million was based on a projected increase of motor tax receipts of 1%. However, actual receipts were 1.7% less than anticipated.
Miscellaneous land transport receipts	(379)	An additional €14 million was identified as additional A-in-A receipts arising from the transfer of levies received by the Railway Procurement Agency. The additional income was allocated under a supplementary estimate towards Luas constructions costs (under B8 subhead). The under provision of €379,000 relates to Pension contributions from NTA/CTR that were not included in the initial estimate.
Receipts under the Merchant Shipping and Wireless Telegraphy Act, 1919	(45)	Receipts were higher than anticipated owing to increased income generated fees and charges relating to seafarer examinations and certifications, radio licence applications, survey fees, covered under the Act.
Tourism Ireland pension receipts	(112)	In April 2015, the pension scheme rules were amended increasing the level of pension contributions payable by Tourism Ireland staff.
Irish Sports Council pension receipts	(322)	Following the dissolution of the Irish Sports Council and its merger with the National Sports Campus Development Authority to form Sport Ireland, pension receipts were higher than originally estimated.
Dormant accounts funding	323	The drawdown of funding is linked to payments under D.6 Dormant Accounts for Sports Measures. Progress on such measures was slower than anticipated leading to a reduced drawdown.
Miscellaneous receipts	(1,801)	Higher than anticipated EU receipts for an Interreg project (over €1.7 million) and HSE refunds for the use of the SAR helicopter gave rise to the increased receipts.

4.2 Extra Exchequer Receipts

	2015	2014
	€000	€000
Balance at 1 January	—	—
Pobal, refund of unspent grants arising from programme savings and efficiencies	—	9
Shannon Development rents ^a	10	15
Sports capital grant refunds ^b	12	25
EU refund from Northern Periphery Programme Roadex IV ^c	—	60
Medical Bureau of Road Safety refund of unspent grant ^d	—	200
Receipt from Bus Éireann for school transport	250	—
EU receipt for pre-financing of Dublin interconnector tunnel project	—	365
EU receipt for CEF (Connecting Europe Facility) project ^e	3,233	—
Pension service payment	—	2
Shipping company receipts	—	3
Valuation fee-Valentia Island	—	1
Refund of RTTP current funding	—	3
Capital sale	—	103
Road Safety Authority pension contributions and notional service	509	485
Voluntary surrender of pay	14	—
Refund of bank balance	6	—
Transferred to the Exchequer	(4,034)	(1,271)
Balance at 31 December	—	—

^a Moneys for rents collected by the Shannon Airport Authority (SAA) on behalf of the Minister

^b 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

^c The refund is in relation to the EU road project funded via the NPPROADex IV programme

^d The Medical Bureau of Road Safety repaid €200,000 in respect of unspent grant moneys

^e A pre-financing payment for a 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

	2015	2014
Number of staff at year end (full time equivalents)		
Department	428	426
Agencies		
Commission for Aviation Regulation	17	14
Fáilte Ireland	313	320
Medical Bureau of Road Safety	35	34
National Transport Authority	71	74
Railway Safety Commission	11	10
Roads Safety Authority	312	282
Tourism Ireland	145	148
Transport Infrastructure Ireland *	267	287
Sport Ireland **	34	38
	1,633	1,633

* The National Roads Authority and the Railway Procurement Agency merged on 1 August 2015 to form Transport Infrastructure Ireland (TII).

**The Irish Sports Council and the National Sports Campus Development Authority merged on 1 October 2015 to form Sport Ireland.

	2015	2014
	€000	€000
Pay	23,710	23,460
Higher, special or additional duties allowance	433	499
Other allowances	539	530
Overtime	625	694
Employer's PRSI	1,461	1,428
Total Pay	26,768	26,611

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2015 €	Maximum individual payment 2014 €
Higher, special or additional duties	89	39	21,406	20,703
Other allowances	99	2	22,497	7,041
Overtime	76	19	32,409	40,149
Number of individuals who received extra remuneration in more than one category	61	42	40,977	58,564

5.2 Other Remuneration Arrangements

Six retired civil servants, in receipt of civil service pensions, were re-engaged on a fee basis at a total cost of €109,495. Pension abatement rules were applied as appropriate.

5.3 Payroll overpayments

Overpayments at the year end were €115,337 (48 cases) (2014 €49,948, 34 cases). Of this, €17,660 (17 cases) have recovery plans in place.

6 Miscellaneous

6.1 National Lottery Funding

Total expenditure of €96.74 million (€70 million in 2014) 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.

6.2 Legal costs

					2015	2014
	Number of cases	Legal costs of the Department €000	Legal costs awarded €000	Compensation awarded €000	Total €000	Total €000
Claims by employees of the Vote	—	—	—	—	—	—
Claims by members of the public						
State Claims	6	46	—	41	87	60
Agency						
Other	3	—	—	284	284	1,000
		46	—	325	371	1,060

6.3 Contingent Liabilities

The Department is involved in a number of legal cases. It would be premature to forecast (and publish) any potential liabilities arising from these.

6.4 Write offs

The following sums were written off in the year:

	2015 €000	2014 €000
Suspense account balance re term time	—	17
	—	17

6.5 Carryover to 2016

Under the provision of section 91 of the Finance Act 2004, €16.1 million in unspent allocation in respect of capital elements for subheads A.3, B.3, B.6, C.3, D.5 and E.6 was carried forward to 2016.

