

Appropriation Account 2017

Vote 29

Communications, Climate Action and Environment

Introduction

As Accounting Officer for Vote 29, 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 2017 for the salaries and expenses of the Office of the Minister for Communications, Climate Action and Environment, including certain services administered by that Office and for payment of certain grants.

The expenditure outturn is compared with the sums:

- granted by Dáil Éireann under the Appropriation Act 2017, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- provided for capital supply services in 2017 out of unspent 2016 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €26.26 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 7 form part of the account.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform in Circular 25 of 2017, have been applied in the preparation of the account, except for the following:

Depreciation

Motor vehicles are depreciated over 5 years at 20% per annum. Certain bespoke IT systems and specialist seabed survey equipment assets are depreciated over 10 years at 10% per annum, while all other Office/IT equipment is depreciated over 5 years at 20% per annum.

Capital assets

Details of land and buildings owned by the State and controlled or managed by the Department are listed in Appendix A. A number of fisheries which are managed by Inland Fisheries Ireland are not included in the statement of capital assets, as valuations for the fisheries are not available.

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.

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

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between this Department and the National Shared Services Office for the provision of human resources and 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 shared services to the 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
- procedures for key business processes have been documented
- there are systems in place to safeguard the assets.

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. This includes the following elements:

- 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 2017, the Department complied with the guidelines with the exception of thirteen contracts to the value of €2.283 million. Details of these contracts are included in my annual return in respect of Circular 40/02 and comprise of: four contracts (€902,194) relating to software licences for existing systems, four contracts (€696,000) in respect of specialised research and analysis, three contracts (€265,450) relating to specialist technical expertise required for urgent business needs and two contracts (€418,973) in respect of computer hardware and software for the National Cyber Security Centre. Of the €2.283 million committed in respect of the foregoing non-competitive procurements, an amount of €1.635 million was paid in 2017, with the balance of €0.648 million being carried into 2018.

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, jointly approved by me and the Audit Committee, 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 by the Audit Committee. I am satisfied that procedures are in place to ensure that the reports of the internal audit function are followed up.

Risk and Control Framework

The Department has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Department and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Board on a bi-annual basis, while risks relating to key projects are subject to ongoing review. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and assigns responsibility for operation of controls to specific staff.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Management Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of Effectiveness

I confirm that the Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

Internal Financial Control Issues

No weaknesses in internal financial control were identified in relation to 2017 that require disclosure in the Appropriation Account.

Mark Griffin

Accounting Officer

Department of Communications, Climate Action and Environment

29 March 2018

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 29 Communications, Climate Action and Environment

Opinion on the appropriation account

I have audited the appropriation account for Vote 29 Communications, Climate Action and Environment for the year ended 31 December 2017 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 29 Communications, Climate Action and Environment for the year ended 31 December 2017
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the *Preface to the Appropriation Accounts*. I am independent of the Department of Communications, Climate Action and Environment and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the *Preface to the Appropriation Accounts*.

Reporting on matters arising from audit

Chapters 8 and 9 of my report on the accounts of the public services for 2017 refer to certain matters relating to Vote 29 Communications, Climate Action and Environment.

Seamus McCarthy
Comptroller and Auditor General

24 September 2018

Vote 29 Communications, Climate Action and Environment Appropriation Account 2017

	Estimate provision		2017	2016
	€000		Outturn	Outturn
	€000	€000	€000	€000
Programme expenditure				
A Communications		39,910	31,483	19,050
B Broadcasting		261,209	254,289	241,091
C Energy				
<i>Current year provision</i>	115,383			
<i>Deferred surrender</i>	<u>7,551</u>			
		122,934	111,402	85,511
D Natural resources		26,196	24,785	19,680
E Inland fisheries		30,601	30,318	30,392
F Environment and waste management				
<i>Current year provision</i>	54,936			
<i>Deferred surrender</i>	<u>4,577</u>			
		59,513	50,639	43,171
Gross expenditure				
<i>Current year provision</i>	528,235			
<i>Deferred surrender</i>	<u>12,128</u>			
		540,363	502,916	438,895
<i>Deduct</i>				
G Appropriations-in-aid		237,599	232,412	228,535
Net expenditure				
<i>Current year provision</i>	290,636			
<i>Deferred surrender</i>	<u>12,128</u>			
		302,764	270,504	210,360

Surplus

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.

	2017	2016
	€	€
Surplus	32,259,657	32,453,667
Deferred surrender	(6,000,000)	(12,128,000)
Surplus to be surrendered	26,259,657	20,325,667

Mark Griffin

Accounting Officer

Department of Communications, Climate Action and Environment

29 March 2018

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2017

	2017	2016
	€000	€000
Programme cost	475,795	412,768
Pay	20,510	18,807
Non pay	6,611	7,320
Gross expenditure	502,916	438,895
<i>Deduct</i>		
Appropriations-in-aid	232,412	228,535
Net expenditure	270,504	210,360
Changes in capital assets		
Purchases cash	(1,439)	
Depreciation	1,022	
	(417)	(493)
Changes in net current assets		
Decrease in closing accruals	(476)	
Increase in stock	(22)	
	(498)	543
Direct expenditure	269,589	210,410
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	15,584	13,917
Notional rents	1,466	1,830
Net programme cost	286,639	226,157

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 29 borne elsewhere.

		2017	2016
		€000	€000
Vote 9 Office of the Revenue Commissioners	e	45	45
Vote 12 Superannuation and Retired Allowances	e	10,791	9,719
Vote 13 Office of Public Works	e	4,648	4,060
Vote 18 National Shared Services Office	e	41	35
Central Fund - Ministerial pensions	e	59	58
		15,584	13,917

"e" indicates that the number is an estimated value or an apportioned cost.

Note 2 Statement of Financial Position as at 31 December 2017

	Note	2017 €000	2016 €000
Capital assets	2.2	2,532	3,077
Current assets			
Bank and cash	2.3	10,939	9,881
Stocks	2.4	334	312
Prepayments		424	209
Accrued income		799	708
Other debit balances	2.5	356	146
Total current assets		12,852	11,256
Less current liabilities			
Accrued expenses		1,213	1,383
Other credit balances	2.6	4,005	3,153
Net Exchequer funding due	2.7	7,290	6,874
Deferred income		101	101
Total current liabilities		12,609	11,511
Net current assets / (liabilities)		243	(255)
Net assets		2,775	2,822
Represented by:			
State funding account	2.1	2,775	2,822

2.1 State funding account

	Note	2017 €000	2016 €000
Balance at 1 January		2,822	2,850
Disbursements from the Vote			
Estimate provision	Account	302,764	
Deferred surrender	Account	(6,000)	
Surplus to be surrendered	Account	(26,260)	
Net vote		270,504	210,360
Expenditure (cash) borne elsewhere	1	15,584	13,917
Non cash expenditure – notional rent	1	1,466	1,830
Adjustment – net transfer of assets	2.2	—	22
Adjustment – historic depreciation	2.2	(103)	—
Adjustment – restatement of land & buildings	2.2	(859)	—
Net programme cost	1	(286,639)	(226,157)
Balance at 31 December		2,775	2,822

2.2 Capital assets

	Land and buildings	Office furniture	Office and IT equipment	Specialist equipment and motor vehicles	Total
	€000	€000	€000	€000	€000
Gross assets					
Cost or valuation at 1 January 2017	859	1,288	21,356	4,653	28,156
Additions	—	8	271	1,160	1,439
Disposals	—	(8)	—	(14)	(22)
Adjustments ^a	(859)	(2)	(10)	(104)	(975)
Cost or valuation at 31 December 2017	—	1,286	21,617	5,695	28,598
Accumulated depreciation					
Opening balance at 1 January 2017	—	1,232	19,911	3,936	25,079
Depreciation for the year	—	14	497	511	1,022
Depreciation on disposals	—	(8)	—	(14)	(22)
Adjustment ^b	—	—	—	(13)	(13)
Cumulative depreciation at 31 December 2017	—	1,238	20,408	4,420	26,066
Net assets at 31 December 2017	—	48	1,209	1,275	2,532
Net assets at 31 December 2016	859	56	1,445	717	3,077

^a Adjustment for land and buildings refers to the removal of the General Post Office (GPO) properties from the Department's capital assets, since these State-owned assets are managed by an outside body. Other adjustments relate to historic depreciation.

^b Adjustments relate to historic depreciation.

2.3 Bank and cash

at 31 December	2017	2016
	€000	€000
PMG balances and cash	10,939	9,881

2.4 Stocks

at 31 December	2017	2016
	€000	€000
Geological Survey Ireland	323	302
Stationery	11	10
	334	312

2.5 Other debit balances

at 31 December	2017	2016
	€000	€000
Imprests for academic fees	94	87
Salaries of seconded staff	79	—
Gratuities	57	—
Other suspense	126	59
	356	146

2.6 Other credit balances

at 31 December	2017	2016
	€000	€000
Amounts due to the State		
Withholding Tax	481	234
Value Added Tax	511	528
Extra Exchequer receipts (note 4.3)	—	100
PAYE/PRSI	752	632
	1,744	1,494
Suspense (emergency call answering service/payroll deduction)	2,261	1,659
	4,005	3,153

2.7 Net Exchequer funding due

at 31 December	2017	2016
	€000	€000
Surplus to be surrendered	26,260	20,326
Deferred surrender	6,000	12,128
Exchequer grant undrawn	(24,970)	(25,580)
Net Exchequer funding due	7,290	6,874
Represented by:		
Debtors		
Bank and cash	10,939	9,881
Debit balances: suspense	356	146
	11,295	10,027
Creditors		
Due to the State	(1,744)	(1,494)
Credit balances: suspense	(2,261)	(1,659)
	(4,005)	(3,153)
	7,290	6,874

2.8 Commitments

a) Global commitments

at 31 December	2017	2016
	€000	€000
Procurement of goods and services*	1,413	1,293
Grant programmes	4,614	1,716
Capital grant programmes	66,405	68,004
Total of legally enforceable commitments	72,432	71,013

* 2016 commitment amount was not published in the 2016 account

(b) Multi-annual capital commitments

Project	Cumulative expenditure to 31 December 2016	Expenditure in 2017	Project commitments end 2017	Expected total spend lifetime of project 2017	Expected total spend lifetime of project 2016
	€000	€000	€000	€000	€000
ICT programmes	306,362	15,024	7,989	329,375	318,635
Multimedia developments	45,239	4,530	1,880	51,649	51,052
Sustainable energy programmes	380,090	83,542	23,769	487,401	401,242
Energy research programmes	42,085	5,510	4,231	51,826	49,048
Mining services	13,729	1,251	232	15,212	14,354
GSI services	69,094	14,218	27,816	111,128	90,272
Climate initiatives (including technical research and modelling)	335	613	488	1,436	335
	856,934	124,688	66,405	1,048,027	924,938

Significant variations

Programme	Amount of increase/decrease €000	Explanation
ICT programmes	10,740	The increase is mainly due to increased expenditure on next generation broadband and post codes.
Multimedia developments	597	The increase reflects, in the main, commitments relating to the National Digital Research Centre.
Sustainable energy programmes	86,159	The increase reflects the expansion of the Better Energy programmes and other energy efficiency measures.
Energy research programmes	2,778	The increase reflects increased commitments relating to energy research projects.
Mining services	858	The increase is mainly due to ongoing remediation works at the Avoca mine.
GSI services	20,856	The increase reflects the costs and commitments relating to the ongoing INFOMAR and Tellus mapping projects and geoscience initiatives programme.
Climate Initiatives	1,101	The increase is due to new commitments.

2.9 Land remediation

Avoca Mine Site

A multi-disciplinary team was appointed in December 2013 for three years to provide specialist design, procurement and project management services to oversee a project to address the priority public health and safety works. During 2016, the capping and regrading of the spoil heaps at Tigroney West was undertaken together with capping and making safe a number of shafts at other locations. The cost in 2016 was €1.28 million. During 2017, the remainder of the capital work of the first phase of the project was completed. Health and safety measures were implemented across the site. The drainage network across the capped area was also completed. The spend for 2017 amounted to €1.057 million and total spend on the project to date was €3.52 million. It is now proposed to build on the original feasibility study and develop an overall remediation project plan for the site during 2018.

Silvermines

A provision of €0.4 million was made available in 2017 in respect of land acquisition and contingencies that may have arisen from ongoing environmental monitoring designed to detect any changes at the Silvermines site. No expenditure was incurred in 2017 and a similar provision has been made available for 2018. Future funding will be provided to cover any additional costs that may arise.

Environmental Monitoring at Avoca and Silvermines

Essential specialist monitoring cost €0.15 million in 2015, €0.14 million in 2016 and €0.98 million in 2017. It is estimated that an additional amount of €0.6 million will be required for each year from 2018 to 2020 in respect of continued monitoring of the Avoca and Silvermines sites. This monitoring is to ensure that no significant change in conditions occurs at either of the sites without detection.

2.10 Contingent liabilities

There is potential for financial liabilities to arise in 2018 and subsequent years depending on the outcomes of current, pending and possible future EU and other legal actions. The amounts involved cannot be determined at this point.

Note 3 Vote Expenditure by Subhead

Analysis of administration expenditure

The following note presents an analysis of the administration expenditure of the Vote and outlines the reasons for significant variations (+/- 25% and €100,000). Administration expenditure has been apportioned across the programmes, to present complete programme costings.

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	22,632	20,510	18,807
ii	Travel and subsistence	942	841	696
iii	Training and development and incidental expenses	1,590	952	957
iv	Postal and telecommunications services	784	431	509
v	Office equipment and external IT services	4,116	2,297	3,429
vi	Office premises expenses	962	763	727
vii	Consultancy services and value for money and policy reviews	1,917	1,083	808
viii	Equipment, stores and maintenance	296	244	194
		33,239	27,121	26,127

Significant variations

- iii Training and development and incidental expenses*
 Estimate provision: €1.590 million, outturn: €0.952 million
 The saving of €0.638 million on expenditure was due to lower than anticipated conference, training and legal costs.
- iv Postal and telecommunications services*
 Estimate provision : €0.784 million, outturn: €0.431million
 The saving of €0.353 million was due to ongoing efforts to reduce operating costs.
- v Office equipment and external IT services*
 Estimate provision : €4.116 million, outturn: €2.297 million
 The saving of €1.819 million was due to reduced licensing costs and savings on IT hardware equipment and maintenance costs.
- vii Consultancy services and value for money and policy reviews*
 Estimate provision: €1.917 million, outturn: €1.083 million
 The saving of €0.834 million was due to lower than anticipated spend on consultancy services.

Programme A Communications

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	4,934	4,471	4,030
A.2	Administration – non pay	1,846	1,141	1,310
A.3	Information and communications technology programme	20,490	15,024	5,392
A.4	Multimedia developments	5,176	5,604	4,654
A.5	Information society	6,964	5,243	3,664
A.6	Other capital (incl. capital contingency)	500	—	—
		39,910	31,483	19,050

Significant variations

Overall, the expenditure in relation to Programme A was €8.427 million lower than provided. €1.168 million of this related to administration expenditure and has already been explained, and the balance of the variance of €7.259 million was mainly due to the following:

A.3 Information and communications technology programme

Estimate provision: €20.490 million, outturn: €15.024 million

The saving of €5.466 million relative to the estimate provision was due, in the main, to lower than anticipated programme expenditure in respect of the ongoing complex procurement process for the State-led intervention under the National Broadband Plan.

A.4 Multimedia developments

Estimate provision: €5.176 million, outturn: €5.604 million

The excess of €0.428 million relates to the payment in 2017 of a deferred contractual payment provided in the concession agreement with the National Digital Research Centre.

A.5 Information society

Estimate provision: €6.964 million, outturn: €5.243 million

The saving of €1.721 million relates, in the main, to lower than anticipated expenditure in respect of the demand-led Trading Online Voucher Scheme, which is impacted by the time lag between the establishment of a trading online presence and the drawdown of the grant payment by successful businesses.

A.6 Other capital (incl. capital contingency)

Estimate provision: €0.5 million, outturn: €Nil

The saving of €0.5 million arose as the capital contingency funds were not required.

Programme B Broadcasting

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
B.1	Administration – pay	995	902	855
B.2	Administration – non pay	619	381	440
B.3	Grant to Raidió Telefís Éireann in respect of broadcasting licence fees	190,724	184,801	179,285
B.4	Payment to An Post for collection of broadcasting licence fees	12,457	11,916	11,494
B.5	Deontas i leith Theilifis na Gaeilge	33,710	34,240	35,360
B.6	Broadcasting Fund	14,704	14,073	13,657
B.7	RTÉ spectrum	8,000	7,976	—
		261,209	254,289	241,091

Significant variations

Overall, the expenditure in relation to Programme B was €6.920 million lower than provided. €0.331million of this related to administration expenditure and has already been explained, and the balance of the variance of €6.589 million was mainly due to the following:

B.3 Grant to Raidió Telefís Éireann

Estimate provision: €190.724 million, outturn: €184.801 million

The saving of €5.923 million relative to the estimate provision arose because grant payments to RTÉ which are vote neutral are based on television licence sales, the proceeds of which were lower than anticipated.

Programme C Energy

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
C.1	Administration – pay		5,070	4,594
C.2	Administration – non pay		2,164	1,336
C.3	Sustainable Energy Authority of Ireland - administration and general expenses		9,430	8,579
C.4	Sustainable energy programmes			
	<i>Current year provision</i>	90,790		
	<i>Deferred surrender</i>	7,551	98,341	90,118
C.5	Energy research programmes		7,607	6,505
C.6	Gas services		32	23
C.7	Subscriptions to international organisations		290	247
			122,934	111,402
				85,511

Significant variations

Overall, the expenditure in relation to Programme C was €1.532 million lower than provided. €1.304 million of this related to administration expenditure and has already been explained, and the balance of the variance of €10.228 million was mainly due to the following:

C.3 Sustainable Energy Authority of Ireland

Estimate provision: €9.430 million, outturn: €8.579 million

The saving of €0.851 million relative to the estimate provision was due to lower than expected payroll costs in the Sustainable Energy Authority of Ireland.

C.4 Sustainable energy programmes

Estimate provision: €98.341 million, outturn: €90.118 million

The saving of €8.223 million relative to the estimate provision arose due to the delayed launch of the Support Scheme for Renewable Heat and lower than expected demand in respect of the pilot Deep Retrofit and Warmth and Wellbeing Schemes.

C.5 Energy research programmes

Estimate provision: €7.607 million, outturn: €6.505 million

The saving of €1.102 million relative to the estimate provision was due to the timing of expenditure on demand led research programmes.

Programme D Natural Resources

		2017		2016
		Estimate	Outturn	Outturn
		provision		
		€000	€000	€000
D.1	Administration – pay	6,383	5,784	5,578
D.2	Administration – non pay	3,453	2,199	2,414
D.3	Petroleum services	441	405	191
D.4	Mining services	3,700	1,488	1,560
D.5	GSI services	12,084	14,789	9,817
D.6	Subscriptions to international organisations	135	120	120
		26,196	24,785	19,680

Significant variations

Overall, the expenditure in relation to Programme D was €1.411 million lower than provided. This was due, in the main, to reduced administrative expenditure of €1.853 million and a combination of the following:

D.4 Mining services

Estimate provision: €3.700 million, outturn: €1.488 million

The saving of €2.212 million relative to the estimate provision was due to (1) lower than expected extraction rates of private minerals by the mining companies and legal delays in settling outstanding claims and (2) delays in acquiring a site as part of the rehabilitation of Silvermines.

D.5 GSI services

Estimate provision: €12.084 million, outturn: €14.789 million

The excess of €2.705 million relative to the estimate provision was due to additional expenditure on specialised equipment to support the Tellus mapping programme which gathers the geochemical and geophysical data and for the development of a digital database of core drilled by mineral companies.

Programme E Inland Fisheries

		2017		2016
		Estimate	Outturn	Outturn
		provision		
		€000	€000	€000
E.1	Administration - pay	905	820	774
E.2	Administration - non pay	413	255	296
E.3	Inland fisheries	29,283	29,243	29,322
		30,601	30,318	30,392

Programme F Environment and Waste Management

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
F.1	Administration – pay	4,345	3,938	3,629
F.2	Administration – non pay	2,112	1,298	1,315
F.3	Environmental Protection Agency			
	<i>Current year provision</i>	26,932		
	<i>Deferred surrender</i>	4,577	31,509	24,932
F.4	Carbon Fund	800	431	423
F.5	International climate change commitments	2,500	2,500	2,000
F.6	Landfill remediation	11,000	5,721	7,816
F.7	Technical research and modelling	1,750	613	335
F.8	Subscriptions to international organisations	3,000	2,778	2,721
F.9	National dialogue	350	—	—
F.10	Waste campaign	1,600	1,358	—
F.11	Other services	547	—	—
		59,513	50,639	43,171

Significant variations

Overall, the expenditure in relation to Programme F was €8.874 million lower than provided. €1.221million of this related to administration expenditure and has already been explained, and the balance of the variance of €7.653 million was mainly due to the following:

F.4 Carbon Fund

Estimate provision: €0.800 million, outturn: €0.431million

The saving of €0.369 million relative to the estimate provision was due to a smaller contribution required under the Bio-Carbon Fund. The Bio-Carbon Fund is one of three multilateral funds under the Carbon Fund which invests in projects aimed at achieving greenhouse gas emissions reductions.

F.6 Landfill remediation

Estimate provision: €11million, outturn: €5.721million

The saving of €5.279 million relative to the estimate provision arose because a number of larger landfill remediation projects, which are often complex and vulnerable to delay, did not progress as anticipated because of delays encountered in project planning, licensing and securing site access.

F.7 Technical research and modelling

Estimate provision: €1.750 million, outturn: €0.613 million

The saving of €1.137 million relative to the estimate provision was due to the commencement of some research projects later than anticipated.

F.8 Subscriptions to international organisations

Estimate provision: €3.000 million, outturn: €2.778million

The saving of €0.222 million relative to the estimate provision was due to currency fluctuations and lower requests for funding than anticipated.

F.9 National dialogue

Estimate provision: €0.350 million, outturn: €Nil

The saving of €0.350 million relative to the estimate provision occurred as new initiatives under the National Dialogue on Climate Action requiring funding were still in development during the course of 2017.

F.10 Waste campaign

Estimate provision: €1.600 million, outturn: €1.358 million

The saving of €0.242 million relative to the estimate provision was due to the delay in the rollout of the recycling ambassador programme.

F.11 Other services

Estimate provision: €0.547 million, outturn: €Nil

The saving of €0.547 million relative to the estimate provision was due to the pilot radon testing scheme not proceeding as planned in 2017.

4 Receipts

4.1 Appropriations-in-aid

		2017		2016
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Proceeds of fines in respect of inland fishery offences	50	10	19
2	Receipts under the Minerals Development Act 1940 and the Petroleum and Other Minerals Act 1960	8,795	11,333	8,056
3	Petroleum Infrastructure Support Group	437	349	192
4	Broadcasting licence fees	222,130	215,035	213,681
5	Geological Survey Ireland income	300	293	185
6	Rent on properties in GPO	223	215	204
7	Miscellaneous receipts (note 4.2)	1,070	1,153	1,879
8	Pension contribution from agencies	694	368	641
9	Receipts from pension-related deduction on public service remuneration	3,900	3,656	3,678
	Total	237,599	232,412	228,535

Significant variations

Overall, appropriations-in-aid were €5.187 million less than the estimate.

Explanations for variances are set out below:

2 *Receipts under the Minerals Development Act 1940 and the Petroleum and Other Minerals Act 1960*

Estimate provision: €8.795 million, outturn: €11.333 million

The increase in income of €2.538 million was due to greater than expected royalties as a result of increased production by a lease/licence holder.

8 *Pension contribution from agencies*

Estimate Provision: €0.694 million, outturn €0.368 million

The lower income of €0.326 million was due to the late receipt of a payment in respect of 2017.

9 *Receipt from pension-related deduction on public service remuneration*

Estimate Provision: €3.900 million, outturn: €3.656 million

The lower income of €0.244 million mainly reflects lower than anticipated payroll costs in 2017.

4.2 Miscellaneous receipts

	2017	2016
	€000	€000
Costs recovered from other bodies	100	827
Corrib verification process	—	139
Royalties in respect of metropolitan area networks	878	876
Other	175	37
Total	1,153	1,879

4.3 Extra receipts payable to the Exchequer

	2017	2016
	€000	€000
Balance on 1 January	100	—
Refunds from the Loughs Agency	—	100
Receipts from emissions trading scheme ^a	52,298	38,966
Galway Mayo telecommunications duct	114	(38,966)
Transferred to the Exchequer	(52,512)	—
Balance at 31 December	<u>—</u>	<u>100</u>

^a €53.56 million represents Ireland's gross share of receipts arising from auctioning of allowances in EU Emissions Trading Systems (ETS) in 2017. €1.262 million is deducted for the Environmental Protection Agency's administration expenses, resulting in a net receipt of €52.298 million being returned to the Exchequer.

Note 5 Employee Numbers and Pay

5.1 Employee numbers

Number of staff at year end (full time equivalents)	2017	2016
Department	374	320
Agencies	1,045	1,022
	1,419	1,342

5.2 Pay

Remuneration of all staff (Department and agencies)	2017	2016
	€000	€000
Pay	61,967	57,540
Higher, special or additional duties allowance	276	367
Other allowances	1,389	1,387
Overtime	53	29
Employer's PRSI	5,533	5,001
Total pay	69,218	64,324

The remuneration arrangements refer to the pay element of subheads A.1, A.4, B.1, C.1, C.3, D.1, E.1, E.3, F.1 and F.3. The figures include non voted moneys.

5.3 Department staff

	2017	2016
	€000	€000
Pay	18,997	17,439
Higher, special or additional duties allowance	57	146
Other allowances	63	54
Overtime	30	15
Employer's PRSI	1,363	1,153
Total pay	20,510	18,807

Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment 2017	Highest individual payment 2016
			€	€
Higher, special or additional duties ^a	20	1	16,597	7,732
Other allowances ^a	15	2	20,614	20,613
Overtime	24	—	8,091	7,302
Extra remuneration in more than one category	5	1	10,913	11,850

^a Prior to 2017, the allowance paid to the Minister's Private Secretary was assigned to Higher, special or additional duties. From 2017, it is classified as an other allowance.

5.4 Agency staff

	2017	2016
	€000	€000
Pay	42,970	40,154
Higher, special or additional duties allowance	219	233
Other allowances	1,326	1,268
Overtime	23	14
Employer's PRSI	4,170	3,848
Total pay	48,708	45,517

Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment 2017 €	Highest individual payment 2016 €
Higher, special or additional duties	47	1	10,971	10,971
Other allowances	303	1	10,000	8,000
Overtime	14	—	4,000	3,000
Extra remuneration in more than one category	34	—	9,589	9,373

The agencies included above are Inland Fisheries Ireland, Sustainable Energy Authority of Ireland, the Environmental Protection Agency, the Digital Hub Development Agency and the Loughs Agency.

The figures in Note 5.2 include non-voted moneys to ensure compliance with Department of Public Expenditure and Reform guidelines (Circular 17/2013).

5.5 Other remuneration arrangements

Four public sector workers in receipt of public sector pensions were re-engaged on a contract basis at a total cost of €91,490. The payments made were consistent with the principles of the Public Service (Single Scheme and other Provisions) Act 2012.

This account includes expenditure of €581,793 in respect of eight officers who were serving outside the Department for all or part of 2017 and whose salaries were paid by the Department.

5.6 Payroll overpayments

Overpayments at year end were €103,990 (29 cases) of which, €69,386 (12 cases) have recovery plans in place. (2016: €101,306 (28 cases)).

Note 6 Miscellaneous

6.1 Carryover to 2018

Under the provisions of Section 91 of the Finance Act 2004, €6 million of the unspent allocation in respect of the capital element of subhead C4 was carried forward to 2018.

6.2 Compensation and legal costs

There were no compensation or legal costs in 2017 (2016: €143,000).

6.3 EU funding

The outturn shown in subheads below includes payments in respect of activities which are co-financed from the EU. Estimates of expenditure and actual outturns were as follows:

		2017		2016
		Estimate	Outturn	Outturn
	€000	€000	€000	€000
C.4 Sustainable energy programmes				
	<i>Current year provision</i>	90,790		
	<i>Deferred surrender</i>	7,551		
		98,341	90,118	66,262
D.4 Mining services		3,700	1,488	1,560
D.5 GSI services		12,084	14,789	9,817
E.3 Inland Fisheries		29,283	29,243	29,322
		143,408	135,638	106,961

EU funding of €244,972 was received in 2017 as appropriations-in-aid in respect of activities funded through subheads C.4, D.4 and D.5. EU funding in respect of E.3 is accounted for by Inland Fisheries Ireland and the Loughs Agency in their accounts.

Note 7 Miscellaneous Accounts

7.1 Petroleum Infrastructure Programme Fund

Statement of the receipts and payments of the Petroleum Infrastructure Programme Fund for the year ended 31 December 2017.

	2017	2016
	€000	€000
Balance at 1 January	6,358	7,541
Receipts	482	356
Payments	(629)	(1,539)
Balance at 31 December	<u>6,211</u>	<u>6,358</u>

The Petroleum Infrastructure Programme (PIP) was established in 1997 and is funded by oil companies with offshore exploration licences issued by Petroleum Affairs Division. Its aim is to promote hydrocarbon exploration and development activities by strengthening local support structures, funding of research data gatherings and 'land based' research in Irish offshore areas. Receipts in relation to the PIP Fund are recorded as appropriations-in-aid and paid into the fund via subhead D.3.

The Fund is administered by the Petroleum Affairs Division of the Department.

7.2 Energy Efficiency National Fund

Statement of receipts and payments of the Energy Efficiency National Fund for the year ended 31 December 2017.

	2017	2016
	€000	€000
Balance at 1 January	31,810	31,810
Receipts	—	—
Investments	—	—
Balance at 31 December	<u>31,810</u>	<u>31,810</u>

The Energy Efficiency National Fund (EENF) was established in 2014 under the provisions of the European Union (Energy Efficiency Obligation Scheme) Regulations 2014 (SI 131 of 2014). The objectives of the Fund are to (i) support the delivery of energy efficiency improvement programmes and other energy efficiency measures, and (ii) promote the development of a market for energy efficiency improvement measures. The Government provided €35 million from the Carbon Revenue Levy Fund to the EENF. Funding is invested in a qualifying investor fund (QIF) authorised and regulated by the Central Bank of Ireland. The State funding is matched by private sector funding. The Minister, along with other investors, is represented on an investment advisory committee and all shareholders receive annual reports and interim financial statements on the QIF's performance.

The total investment and set up costs met by the State to 31 December 2017 is €3.19 million, leaving a balance remaining in the Fund at that date of €31.81 million. At 31 December 2017, the State's investment in the QIF was valued at €1.45 million.

Appendix A Schedule of land and buildings

The Minister owns the following General Post Office (GPO) properties:

- 1 GPO Building
- 2 GPO Arcade
- 3 1-6 Post Office Buildings
- 4 24-30 Henry Street

These properties are managed under leases and / or licences granted by the State.

The Minister owns Fisheries in Galway and Owenea/Owentocker, County Donegal which are managed by Inland Fisheries Ireland.

The Minister also has a beneficial interest in the metropolitan area networks (MANS), the construction of which was funded jointly with certain local authorities and the European Regional Development Fund.

Appendix B Accounts of bodies and funds under the aegis of the Department of Communications, Climate Action and Environment

The following table lists the bodies under the aegis of the Department and where the Department has an obligation to present financial statements. It indicates, as at end March 2018, the period to which the last audited financial statements relate and when they were presented to the Oireachtas.

Body/ departmental fund	Last accounting period	Date of audit report	Date received by Minister/ Department	Date presented to the Oireachtas
An Post	2016	27 Apr 17	27 Apr 17	31 May 17
Commission for Communications Regulation	2016	23 Dec 16	7 Jul 17	3 Aug 17
Digital Hub Development Agency	2015	30 Sept 16	29 Nov 16	14 Dec 16
Broadcasting Authority of Ireland	2016	30 Jun 17	26 Jul 17	10 Nov 17
RTÉ	2016	20 Apr 17	28 Apr 17	18 Jul 17
TG4	2016	26 May 17	22 Jun 17	13 Jul 17
Bord na Móna	2017	22 Jun 17	29 Jun 17	17 Jul 17
Commission for the Regulation of Utilities	2016	22 Nov 17	18 Jan 18	— ¹
Eirgrid	2016	22 Dec 16	16 Jan 17	08 Jun 17
ESB	2017	1 Mar 18	8 Mar 18	9 Mar 18
Irish National Petroleum Corporation	2016	7 Feb 17	28 Mar 17	16 May 17
National Oil Reserves Agency	2016	14 Jun 17	27 Jun 17	13 Jul 17
Sustainable Energy Authority of Ireland	2016	29 Jun 17	30 Jun 17	1 Jul 17
Inland Fisheries Ireland	2016	22 Dec 17	12 Jan 18	12 Mar 18
Loughs Agency	2016	10 Aug 17	20 Dec 17	— ²
Environmental Protection Agency	2016	30 Jun 17	21 Aug 17	24 Nov 17
Environmental Fund	2016	22 Dec 17	22 Dec 17	6 Mar 18

¹ Approved by Government and awaiting presentation

² Awaiting submission to Government