

Appropriation Account 2017

Vote 13

Office of Public Works

Introduction

As Accounting Officer for Vote 13, 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 Public Works, for services administered by that Office, for payment of certain grants and for the recoupment of certain expenditure.

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.

A surplus of €4.63 million is liable for surrender to the Exchequer.

The OPW acts as an agent, and incurs expenditure on behalf of other Government departments and agencies. The expenditure incurred on their behalf is set out in Note 6.4.

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. Departures from the standard accounting policies and principles are highlighted below.

(a) Valuation of capital assets:

The Office of Public Works recognises the value of land and buildings as follows:

- Assessments of market value have been applied to properties where market comparisons are available.
- Prestige properties have been individually valued using the replacement cost method of valuation. This rebuilding cost is based on the application of market rates.
- Where market comparisons are not available, properties acquired or purchased before 1 January 1995 or constructed before 1 January 1997 are valued based on building cost norms and notional site values that are updated regularly. Properties purchased since 1 January 1995 or constructed since 1 January 1997 are valued at cost.

The valuations are subject to a number of significant qualifications and should not be regarded as a current estimate of realisable value.

Capital expenditure in a number of areas is not recognised in Note 2.2 Capital assets as follows:

- Expenditure on improvements of certain buildings is not included. The change in value will be reflected at the next valuation date.
- National monuments and certain national historic properties are not valued.
- Flood relief works are considered infrastructure assets and are not capitalised.
- Expenditure on improvements to leased buildings is not capitalised.
- Artwork acquired after 1 January 2008 is included in the statement of capital assets under the heading Fixtures and Fittings at historical cost and is not revalued. Artwork acquired prior to 1 January 2008 has not been capitalised.

(b) Depreciation

Plant and machinery assets are depreciated on a straight line basis over their estimated useful life of between five and 20 years, less a residual value.

Artworks and heritage assets are not depreciated.

Buildings are not depreciated on the basis that ongoing annual maintenance expenditure is sufficient to maintain their condition.

(c) Capital assets under development

Expenditure on existing properties owned by OPW carried out under Subhead B6 (new works alterations and additions) is capitalised under its relevant asset category in the year the expenditure is incurred save for the exceptions outlined above where capital expenditure is not recognised as a capital asset. Capital expenditure on new developments spanning multiple accounting periods is accounted for as a capital asset under development and is transferred to the relevant asset category on completion.

(d) Property lease payments

The OPW recognises payment for goods and services when the goods or services have been provided satisfactorily, the supplier has submitted their account and the instruction for payment has been executed. In the case of property lease agreements, once the service is provided, and the rent is due and payable, then the OPW are satisfied the liability has matured. However, where there are legal or compliance difficulties in making such payments to the suppliers, the OPW may charge the payment to the Vote and transfer the funds to suspense.

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 Office.

This responsibility is exercised in the context of the resources available to me and my other obligations as Chairman. 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 Office and the National Shared Services Office for the provision of human resources shared service. Since 1 May 2017, the management of payroll and travel claims for civil service grades has been transferred to the National Shared Services Office.

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 this Office.

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 all 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 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 Office
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines
- a Corporate Governance Framework for the Office is in place.

Internal Audit and Audit Committee

I confirm that the Office 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 Office 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 by the Audit Committee. I have put procedures in place to ensure that the recommendations arising from reports of the internal audit function are implemented.

Risk and Control Framework

The Office 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 office and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Board on an annual basis. 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 office has procedures to monitor the effectiveness of its risk management and control procedures. The office'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 office responsible for the development and maintenance of the internal financial control framework.

Non-compliance with Procurement Rules

The Office ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with the relevant guidelines. In 2017, the Office complied with procurement guidelines with the exception of payments totalling €811,764 as set out below:

- Seven contracts with a total value of €486,834 related to urgent specialised work of a security nature. The completion of framework agreements for the relevant services is pending.
- In five cases, contracts to the value of €324,930 related to instances where services were procured from a sole supplier or a contractor with specialist expertise.

The Office has provided details of these exceptional contracts, as part of information on 23 contracts with a total value of €1,864,026 (ex VAT), that are included on the annual return in respect of Circular 40/2002 to the Office of the Comptroller and Auditor General and the Department of Public Expenditure and Reform.

Internal Financial Control Issues

The following internal financial control issue was identified in 2017.

Rents receivable

An internal review into rent collection controls was carried out in 2017. The review has identified that there are weaknesses in controls due largely to the scale and diverse nature of the portfolio and the lack of a central register of all lease agreements and licence arrangements. Following the review a central register of lease agreements has been put in place.

Maurice Buckley
Accounting Officer
Office of Public Works

17 September 2018

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 13 Office of Public Works

Opinion on the appropriation account

I have audited the appropriation account for Vote 13 Office of Public Works 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 13 Office of Public Works 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 Office of Public Works 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*.

Non compliance with procurement rules

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with procurement rules occurred in respect of contracts that operated in 2017.

Reporting on matters arising from audit

Chapter 6 of my report on the accounts of the public services for 2017 refers to certain matters relating to Vote 13 Office of Public Works.

Seamus McCarthy
Comptroller and Auditor General

21 September 2018

Vote 13 Office of Public Works

Appropriation Account 2017

	2017		2016
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A Flood risk management	75,044	75,099	80,127
B Estate portfolio management	319,287	319,180	311,360
Gross expenditure	394,331	394,279	391,487
<i>Deduct</i>			
C Appropriations-in-aid	29,264	33,847	32,685
Net expenditure	365,067	360,432	358,802

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2017	2016
	€	€
Surplus to be surrendered	4,634,977	5,746,074

Maurice Buckley
Accounting Officer
Office of Public Works

17 September 2018

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2017

	2017	2016
	€000	€000
Programme cost	350,262	349,696
Administration pay	35,976	33,175
Administration non pay	8,041	8,616
Gross expenditure	394,279	391,487
<i>Deduct</i>		
Appropriations-in-aid	33,847	32,685
Net expenditure	360,432	358,802
Changes in capital assets		
Purchases cash	(4,669)	
Disposals cash	574	
Depreciation	4,389	
Gain on disposals	(103)	
	191	(41,444)
Changes in net current assets		
Increase in closing accruals	321	
Decrease in stock	184	
	505	5,228
Direct expenditure	361,128	322,586
Expenditure on services provided free to other departments (allied services)	(163,606)	(126,988)
Expenditure on services where OPW acts as client ¹	(87,288)	(93,851)
Direct expenditure (excluding allied services and services where OPW acts as client)	110,234	101,747
Expenditure borne elsewhere		
Vote 12 - Superannuation and retired allowances	23,047	18,780
Net programme cost²	133,281	120,527

¹ The direct expenditure figure has been reduced by an amount of €87.3 million which is the net cost of capital and current services where OPW either carries out or funds certain works on behalf of the State (e.g. drainage maintenance €5.1 million, flood relief €42 million, maintenance of heritage properties €12.8 million, grants for certain refurbishment works €0.5 million, payments for the Convention Centre Dublin €24.3 million). The cost of such works and grants do not form part of the running costs of OPW.

² The net programme cost does not include an amount for notional income or payments.

- Notional rents receivable by the OPW on State owned properties are estimated at some €80.5 million. Notional rents payable by OPW are estimated at €3.4 million.
- Amounts have not been included in the statement in respect of notional income from client departments in respect of services currently provided free of charge by the OPW.

Note 2 Statement of Financial Position as at 31 December 2017

	Note	2017 €000	2016 €000
Capital assets	2.2	3,326,934	3,328,288
Current assets			
Bank and cash	2.3	32,628	31,232
Stocks	2.4	1,844	2,028
Prepayments	2.5	20,060	21,564
Accrued income		1,510	1,243
Other debit balances	2.6	278	1,154
Total current assets		56,320	57,221
Less current liabilities			
Accrued expenses		7,973	8,698
Deferred income		346	784
Other credit balances	2.7	31,086	31,201
Net Exchequer funding due	2.8	1,820	1,185
Total current liabilities		41,225	41,868
Net current assets		15,095	15,353
Net assets		3,342,029	3,343,641
Represented by:			
State funding account	2.1	3,342,029	3,343,641

2.1 State funding account

	Note	2017 €000	2016 €000
Balance at 1 January		3,343,641	3,254,137
Disbursements from the Vote			
Estimate provision	Account	365,067	
Surplus to be surrendered	Account	(4,635)	
Net vote		360,432	358,802
Expenditure (cash) borne elsewhere	Note 1	23,047	18,780
Allied services	Note 1	(163,606)	(126,988)
Client services	Note 1	(87,288)	(93,851)
Net programme cost	Note 1	(133,281)	(120,527)
Adjustments ¹		(916)	53,288
Balance at 31 December		3,342,029	3,343,641

¹ Adjustments include the write off of the net book value of capital assets less than €1,000 totalling €0.839 million, revaluations on disposal of property of €1.073 million and agency assets capitalised by the OPW of €0.4 million.

2.2 Capital assets

	Land and buildings ¹	Plant and machinery	Office equipment	Furniture and fittings	Assets under development ²	Total
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2017	3,309,586	42,612	28,135	22,854	—	3,403,187
Adjustments ³	—	(1,468)	(1,663)	(800)	—	(3,931)
Additions	706	2,342	1,507	801	177	5,533
Transfer from Department of Housing, Planning and Local Government	—	41	—	—	—	41
Disposals	(498)	(1,744)	(791)	(190)	—	(3,223)
Revaluation on disposal	(1,073)	—	—	—	—	(1,073)
Cost or valuation at 31 December 2017	3,308,721	41,783	27,188	22,665	177	3,400,534
Accumulated depreciation						
Opening balance at 1 January 2017	—	34,881	24,259	15,759	—	74,899
Depreciation on Adjustments	—	(1,342)	(1,505)	(246)	—	(3,093)
Transfer from Department of Housing, Planning and Local Government	—	36	—	—	—	36
Depreciation for the year	—	1,955	1,880	554	—	4,389
Depreciation on disposals	—	(1,683)	(774)	(174)	—	(2,631)
Cumulative depreciation at 31 December 2017	—	33,847	23,860	15,893	—	73,600
Net assets at 31 December 2017	3,308,721	7,936	3,328	6,772	177	3,326,934
Net assets at 31 December 2016	3,309,586	7,731	3,876	7,095	—	3,328,288

¹ As set out in the statement of accounting policies and principles, assets are valued using a number of valuation bases. The number of buildings and the valuation basis used is set out below.

Valuation	31 December 2017		31 December 2016	
	Number of buildings	€000	Number of buildings	€000
Market value	289	831,264	291	831,518
Building cost norms	544	718,711	549	720,028
Cost	131	830,840	127	830,134
Prestige properties (replacement cost)	11	927,906	11	927,906
Heritage properties (nil value)	727	—	727	—
Total	1,702	3,308,721	1,705	3,309,586

² Capital assets under development does not include construction projects carried out under Subhead B6, new works, alterations and additions. Expenditure on leased buildings is not capitalised.

³ The adjustment figure is in respect of the removal of the cost and cumulative depreciation of capital assets which cost less than €1,000.

2.3 Bank and cash

at 31 December	2017	2016
	€000	€000
Commercial bank account	32,721	31,316
Petty cash	12	10
Orders outstanding	(105)	(94)
	<u>32,628</u>	<u>31,232</u>

2.4 Stocks

at 31 December	2017	2016
	€000	€000
Engineering stocks	807	906
Heritage depot stocks	918	1,004
Building materials	48	56
Paper and stationery	20	19
Miscellaneous stocks	51	43
	<u>1,844</u>	<u>2,028</u>

2.5 Prepayments

at 31 December	2017	2016
	€000	€000
Administration	474	679
Flood risk management	15	2,224
Estate portfolio management	19,571	18,661
	<u>20,060</u>	<u>21,564</u>

2.6 Other debit balances

at 31 December	2017	2016
	€000	€000
Agency balances (Note 6.4)	278	1,154

2.7 Other credit balances

at 31 December	2017	2016
	€000	€000
Amounts due to the State		
Income Tax	1,081	1,034
Universal Social Charge	266	308
Pay Related Social Insurance	896	927
Professional Services Withholding Tax	590	704
Value Added Tax	3,698	4,193
Pension contributions	231	213
Local Property Tax	11	13
	<u>6,773</u>	<u>7,392</u>
Agency balances (note 6.4)	14,540	11,698
Sundry works account	1,224	1,279
Property management	4,989	6,119
Receipts from sale of State property	84	916
Percent for Art scheme	1,175	1,234
Misc heritage	1,024	1,237
Payroll deductions held in Suspense	175	364
Other credit balances	1,102	962
	<u>31,086</u>	<u>31,201</u>

2.8 Net Exchequer funding due

at 31 December	2017	2016
	€000	€000
Surplus to be surrendered	4,635	5,746
Exchequer grant undrawn	(2,815)	(4,561)
Net Exchequer funding due	<u>1,820</u>	<u>1,185</u>
Represented by:		
Debtors		
Bank and cash	32,628	31,232
Debit balances: suspense	278	1,154
	<u>32,906</u>	<u>32,386</u>
Creditors		
Due to State	(6,773)	(7,392)
Credit balances: suspense	(24,313)	(23,809)
	<u>(31,086)</u>	<u>(31,201)</u>
	<u>1,820</u>	<u>1,185</u>

2.9 Commitments

a) Global commitments

	2017	2016
	€000	€000
Procurement of goods and services	2,883	2,452
Capital projects including grants	117,250	115,779

There were commitments outstanding at the end of 2017 in respect of rental of leased properties and associated service charges – longer term leases would normally have a specific provision or minimum notice period for early termination. Figures have not been included for such commitments in this account but they are estimated to be €100.2 million in 2018 (2017: €102 million).

b) Major capital projects

Expenditure was incurred on 11 ongoing major projects during 2017 where the total estimated cost of the individual project will exceed €6.5 million. Particulars of these projects are as follows:

Project	Cumulative expenditure to 31 December 2016 €000	Expenditure in 2017 €000	Project commitments in subsequent years ¹ €000	Expected total spend lifetime of project 2017 €000	Expected total spend lifetime of project 2016 €000
Flood risk management					
River Dodder (fluvial scheme)	8,999	3,117	2,384	14,500	12,500
Ennis Lower	16,996	496	1,155	18,647	18,645
Bray	35,810	4,875	500	41,185	41,000
Waterford	14,583	489	928	16,000	16,000
Bandon	2,976	8,828	9,096	20,900	20,500
Skibbereen	5,479	4,202	20,320	30,001	30,086
Claregalway	3,872	2,700	1,900	8,472	—
Total	88,715	24,707	36,283	149,705	138,731
Estate portfolio management					
Knockmaun House	8,897	128	—	9,025	9,023
Miesian Plaza	—	8,734	14,707	23,441	—
National Gallery ²	7,717	974	500	9,191	8,717
Leinster House	188	947	13,050	14,185	—
Total	16,802	10,783	28,257	55,842	17,740

¹ Project commitments in subsequent years refers to the OPW's estimate of capital costs to completion of projects.

² This includes actual and expected expenditure from the OPW vote only. The project is also funded by the Department of Culture, Heritage and the Gaeltacht and the National Gallery.

Significant variations

An explanation is provided below where multi-annual commitments changed by more than €500,000 from 2016 to 2017.

Description	Less/(more) than provided	Explanation
River Dodder fluvial scheme	2,000	The revised cost budget reflects the emergence of a number of additional works including the need to adapt the scheme to properties that have been built over the course of the scheme.

c) Capital Cost of Public Private Partnership Project

	Cumulative Expenditure to 31 December 2016	Expenditure in 2017	Legally enforceable commitments to be met in subsequent years	Expected total spend lifetime of project 2017	Expected total spend lifetime of project 2016
	€000	€000	€000	€000	€000
Convention Centre Dublin	148,576	7,349	124,303	280,228	280,228

The expenditure in 2017 represents repayment of the capital cost of the asset, excluding the cost of PPP financing.

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	35,049	35,976	33,175
ii	Travel and subsistence	1,511	1,540	1,562
iii	Training and development and incidental expenses	1,187	1,039	840
iv	Postal and telecommunications services	1,532	1,433	1,423
v	Office equipment and external IT services	4,931	2,785	3,142
vi	Office premises expenses	1,103	944	1,008
vii	Consultancy services and value for money and policy reviews	517	165	641
viii	Government Publication Services ¹	170	135	—
		46,000	44,017	41,791

¹ In 2016 this expenditure was classified under Programme B12.

Significant variations

v Office equipment and external IT services

Estimate provision: €4.931 million, outturn: €2.785 million

The saving arose due to a delay in placing the contract for the Integrated Workplace Management System.

vii Consultancy services and value for money and policy reviews

Estimate provision: €0.517 million, outturn: €0.165 million

The saving arose due to a delay in placing the contract for the Integrated Workplace Management System.

Programme A Flood risk management

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	8,737	8,718	7,686
A.2	Administration - non pay	2,140	2,079	2,045
A.3	Purchase of plant and machinery	2,150	2,167	2,106
A.4	Hydrometric and hydrological investigation and monitoring	1,229	1,109	1,048
A.5	Flood risk management	45,019	45,369	51,855
A.6	Drainage maintenance	15,769	15,657	15,387
		75,044	75,099	80,127

Programme B Estate portfolio management

		2017		2016
		Estimate provision	Outturn	Outturn
		€000	€000	€000
B.1	Administration – pay	26,312	27,258	25,489
B.2	Administration – non pay	8,811	5,962	6,571
B.3	President's household staff	874	801	874
B.4	Grants for certain refurbishment works and services	250	250	250
B.5	Purchase of sites and buildings	980	1,031	3,169
B.6	New works, alterations and additions	53,530	52,847	55,189
B.7	Property maintenance and supplies	59,156	60,233	59,130
B.8	Rents	94,035	96,374	87,594
B.9	Service charges and utilities	11,043	9,549	10,477
B.10	Unitary payments	25,000	24,281	23,731
B.11	Heritage services	39,296	40,594	38,737
—	<i>Government Publication Services</i>	—	—	149
		319,287	319,180	311,360

Significant variations

Overall, the expenditure in relation to Programme B was €0.107 million lower than originally provided. €1.903 million of this related to administration expenditure and the balance of the variance of €1.796 million was mainly due to the following:

B.8 Rents

Estimate provision: €94.035 million, outturn: €96.374 million

The over spend of €2.339 million arose largely to the inclusion of an additional gale of rent relating to the lease of Miesian Plaza. Due to the timing of the lease being signed a fifth rental gale, expected to fall during the 2016 budget period, fell payable in 2017 at a cost of €2.536 million.

B.9 Service charges and utilities

Estimate provision: €11.043 million, outturn: €9.549 million

The saving of €1.494 million was due to service charges and utility payments on new leases not being realised in 2017 and on the rationalisation of space in recent years.

Note 4 Receipts

4.1 Appropriations-in-aid

	2017		2016
	Estimated €000	Realised €000	Realised €000
1 Rents, licence fees, etc.	3,040	4,637	3,607
2 Events and facilities management	2,330	3,903	2,806
3 Receipts for Government publication services	630	631	710
4 Recoveries for services carried out on repayment or agency basis	9,995	8,744	9,997
5 Sales at national monuments and historic properties	1,250	1,371	1,448
6 Admission charges at national monuments and historic properties	6,520	10,214	7,487
7 Miscellaneous, including fees, interest and disposals etc.	2,320	1,643	3,679
8 Receipts from pension-related deduction on public service remuneration	3,179	2,704	2,951
Total	29,264	33,847	32,685

Significant variations

Overall, appropriations-in-aid were €4.583 million more than the estimate were as forecast.

Explanations for variances are set out below:

1 Rents, licence fees, etc.

Estimate provision: €3.040 million, outturn: €4.637 million

The increase of €1.597 million was due to an unanticipated receipt of a final penalty break on mast receipts contract. In addition, an amount of €131,261 was received from An Garda Síochána in respect of OPW land in Templemore, Co Tipperary which was rented under short term letting by An Garda Síochána in the period 2009 to 2013 but not paid over to OPW until July 2017.

2 Events and facilities management

Estimate provision: €2.330 million, outturn: €3.903 million

The increase of €1.573 million was mainly due to a significant increase in visitor numbers at Dublin Castle, Kilkenny Castle and Castletown House. In addition, there was increased business activity at conference centres.

4 Recoveries for services carried out on repayment or agency basis

Estimate provision: €9.995 million, outturn: €8.744 million

The shortfall of €1.251 million was a timing issue which resulted in less Social Insurance Fund receipts in 2017. Moneys due in 2017 were received in early 2018

5 Sales at national monuments and historic properties

Estimate provision: €1.250 million, outturn: €1.371 million

The increase of €0.121 million was due to an increase in facility fees and general revenues at various sites.

6 Admission charges at national monuments and historic properties

Estimate provision: €6.520 million, outturn: €10.214 million

The increase of €3.694 million was mainly due to an increase in admissions at Kilmainham Gaol (€0.662 million) and other sites (€0.953 million). In addition, tour operator receipts increased by €0.924 million in the year.

7 *Miscellaneous, including fees, interest and disposals etc.*

Estimate provision: €2.320 million, outturn: €1.643 million

The shortfall of €0.677 million was due to less sales of state property in 2017.

8 *Receipts from pension-related deduction on public service remuneration*

Estimate provision: €3.179 million, outturn: €2.704 million

The shortfall of €0.475 million was due to changes to the pension related deduction rates and bands.

Note 5 Employee Numbers and Pay

5.1 Employee numbers

	2017	2016
Number of staff at year end (full time equivalents)		
Civil service grades	674	636
OPW specific grades	1,037	968
	1,711	1,604

5.2 Pay

	2017	2016
	€000	€000
Pay		
Civil service grades	33,725	31,110
OPW specific grades	43,448	42,840
Higher, special or additional duties allowance		
Civil service grades	87	171
OPW specific grades	1,932	421
Overtime		
Civil service grades	27	66
OPW specific grades	3,108	3,016
Extra attendance, shift and roster		
OPW specific grades	2,495	2,379
Employer's PRSI		
Civil service grades	2,137	1,828
OPW specific grades	5,236	4,970
Total pay	92,195	86,801

The total pay figure is inclusive of pay in programme subheads A.1, A.4, A.5, A.6, B.1, B.3, B.7, and B.11 and includes pay for 245 temporary and seasonal staff in 2017 (2016: 316 staff).

5.3 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				
Civil service grades	25	2	10,595	15,471
OPW specific grades	987	—	8,574	7,463
Overtime				
Civil service grades	19	—	8,380	8,994
OPW specific grades	1,005	75	37,831	49,605
Extra attendance, shift and roster				
OPW specific grades	826	24	25,985	23,068
Extra remuneration in more than one category				
Civil service grades	4	1	10,075	10,689
OPW specific grades	1,031	226	39,991	50,922

5.4 Other remuneration arrangements

Four retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €158,827.

5.5 Overpayments

Overpayments outstanding at the year end were €28,490, (20 cases) (2016: €22,451, 29 cases). All have recovery plans in place.

5.6 Severance payments

The pay figure includes €11,900 paid out in respect of severance payments to two staff members who were formerly employed as Ministerial staff.

Note 6 Miscellaneous

6.1 Compensation and legal costs

					2017	2016
	Number of cases	Legal costs paid by the OPW €000	Legal costs awarded €000	Compensation awarded €000	Total €000	Total €000
Claims by employees						
Personal injury claims						
- settled in 2017	5	6	—	219	225	150
- settled in a previous year or ongoing	7	11	5	—	16	2
Claims by members of the public						
Personal injury claims						
- settled in 2017	13	29	52	246	327	348
- settled in a previous year or ongoing	15	45	90	—	135	202
Loss or damage claims settled in 2017	10	—	—	14	14	11
		91	147	479	717	713

6.2 Arbitration and conciliation costs

Expenditure in 2017 includes payments of €4.880 million (2016: €12.718 million) made to contractors and others to cover costs as a result of conciliation and arbitration proceedings. There were four cases in 2017 (2016: six). Figures include VAT, legal and professional fees.

6.3 Contingent liabilities

The Office is involved in a number of pending legal proceedings and contractual conciliation which may generate liabilities, depending on the outcome of the litigation. Any actual amount or timing of potential liabilities is uncertain.

6.4 Provision of agency services

In addition to expenditure on Vote 13, the OPW also acts as an agent, and incurs expenditure on behalf of other Government departments and agencies. Funding for this expenditure is provided to the OPW by the sponsoring department/agency and appears as a charge on the account of the client organisation. The total expenditure in 2017 was €84 million of which the main areas of expenditure were major capital works (€66.1 million); schools programme (€4.2 million); maintenance works (€3.1 million) and leasing of accommodation (€8.5 million).

Agency services account

at 31 December	2017
	€000
Opening balance at 1 January	(10,559)
Payments	84,011
Receipts	(87,714)
Closing balance	(14,262)

6.5 Interest and compensation

Penalty interest and compensation payments amounting to €25,132 were made by the OPW in 2017 under the Prompt Payment of Accounts Act 1997, in respect of late payments (2016: €15,873). The total value of payments made by the OPW in 2017 amounted to €365 million and the total number of reckonable payments were 83,322.

6.6 Fraud and suspected fraud

	2017	2016
	€000	€000
Misappropriation of moneys	—	8

One case of alleged misappropriation of moneys arose in 2016. The case was investigated and the misappropriated moneys, amounting to €7,500, were recovered. The staff member's employment with the OPW was terminated.

