

Appropriation Account 2019

Vote 11

**Office of the Minister for Public
Expenditure and Reform**

Introduction

As Accounting Officer for Vote 11, 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 2019 for the salaries and expenses of the Office of the Minister for Public Expenditure and Reform, for certain services administered by the Office of the Minister and for payment of certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2019, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €1.978 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 27 of 2019, have been applied in the preparation of the account with the following exceptions:

Stocks and capital assets

The Department of Finance (Vote 7) and the Department of Public Expenditure and Reform (Vote 11) share IT consumable stocks. They are allocated on the basis of staff numbers in the respective Votes.

For efficiency and convenience reasons, spend on stationery stocks is recorded under Vote 7. However, as the stocks are deemed to be shared, they are included in the operating cost notes to the accounts of Vote 7 and Vote 11 and are allocated on the basis of staff numbers in the respective Departments.

As most capital assets are shared between the Department of Public Expenditure and Reform and the Department of Finance, the usage of capital assets is also allocated on the basis of staff numbers. Up to 31 December 2010, all capital assets had been recorded on the asset register of the Department of Finance. The asset register does not record the location of the business unit using the asset. As a result, it was not possible to split the assets between those units remaining in the Department of Finance and those transferring to the Department of Public Expenditure and Reform when established in 2011. In general, IT equipment assets are now recorded on the asset register of the Department of Public Expenditure and Reform and furniture and fittings and office equipment assets are now recorded on the asset register of the Department of Finance. Notwithstanding any of the above, the Department of Public Expenditure and Reform has at times, since it was established, purchased certain assets which were for its exclusive use and the depreciation in respect of these is not apportioned.

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.

Shared services

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

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

Financial control environment

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

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- The Statement of Internal Financial Control for the Department of Finance is also relevant given that the Department of Finance provides certain services on a shared basis to Vote 11.
- 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 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.

Procurement compliance

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. One supply arrangement was reported under Circular 40/2002. It had a total value of €54,853 which was in relation to the Department being required to use a data centre company to ensure connectivity between public bodies within its secure environment.

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 by the Audit Committee. I have put procedures 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 quarterly 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 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 2019 that resulted in, or may result in, a material loss.

Robert Watt

Accounting Officer
Department of Public Expenditure and Reform

16 March 2020

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 11 Office of the Minister for Public Expenditure and Reform

Opinion on the appropriation account

I have audited the appropriation account for Vote 11 Office of the Minister for Public Expenditure and Reform for the year ended 31 December 2019 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 11 Office of the Minister for Public Expenditure and Reform for the year ended 31 December 2019, and
- 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 Public Expenditure and Reform 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*.

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General

2 September 2020

Vote 11 Office of the Minister for Public Expenditure and Reform

Appropriation Account 2019

| | 2019 | 2018 | |
|--|-------------------------------|-----------------|-----------------|
| | Estimate provision €000 | Outturn €000 | Outturn €000 |
| Programme expenditure | | | |
| A Public expenditure and sectoral policy | 18,744 | 18,640 | 16,513 |
| B Public service management and reform | 42,712 | 40,905 | 41,100 |
| Gross expenditure | 61,456 | 59,545 | 57,613 |
| <i>Deduct</i> | | | |
| C Appropriations-in-aid | 2,463 | 2,676 | 4,036 |
| Net expenditure | 58,993 | 56,869 | 53,577 |

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 spend in the following year. €146,000 of unspent allocations in respect of subhead B.10 Civil service learning and development programme, was carried forward to 2020.

| | 2019 | 2018 |
|----------------------------------|------------------|------------------|
| | € | € |
| Surplus | 2,124,445 | 3,338,062 |
| Deferred surrender | (146,000) | — |
| Surplus to be surrendered | 1,978,445 | 3,338,062 |

Robert Watt
Accounting Officer
Department of Public Expenditure and Reform

16 March 2020

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2019

| | 2019 | 2018 |
|--|---------------|---------------|
| | €000 | €000 |
| Programme cost | 28,585 | 29,251 |
| Pay | 27,460 | 25,452 |
| Non pay | 3,500 | 2,910 |
| Gross expenditure | 59,545 | 57,613 |
| <i>Deduct</i> | | |
| Appropriations-in-aid | 2,676 | 4,036 |
| Net expenditure | 56,869 | 53,577 |
| Changes in capital assets | | |
| Purchases cash | (2,713) | |
| Depreciation | 3,328 | 615 |
| | | (2,572) |
| Changes in net current assets | | |
| Decrease in closing accruals | (897) | |
| Increase in closing stock | (2) | (899) |
| | | (648) |
| Direct expenditure | 56,585 | 50,357 |
| Expenditure borne elsewhere | | |
| Net allied services expenditure (note 1.1) | 5,332 | 5,294 |
| Notional rents | 2,449 | 2,365 |
| Net programme cost | 64,366 | 58,016 |

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 11 borne elsewhere, net of costs of services provided to other Votes.

| | 2019 | 2018 |
|---|--------------|--------------|
| | €000 | €000 |
| Vote 7 Finance | 815 | 815 |
| Vote 9 Office of the Revenue Commissioners | 375 | 362 |
| Vote 12 Superannuation and Retired Allowances | 3,653 | 3,134 |
| Vote 13 Office of Public Works | 2,157 | 2,229 |
| Vote 18 National Shared Services Office | 42 | 41 |
| Cost of shared services provided to other Votes | (1,710) | (1,287) |
| | 5,332 | 5,294 |

Note 2 Statement of Financial Position as at 31 December 2019

| | Note | 2019 €000 | 2018 €000 |
|----------------------------------|------|---------------|---------------|
| Capital assets | 2.1 | 9,683 | 10,298 |
| Current assets | | | |
| Bank and cash | 2.2 | 1,009 | 1,839 |
| Stocks | 2.3 | 23 | 21 |
| Other debit balances | 2.4 | 316 | 361 |
| Prepayments | | 3,659 | 3,142 |
| Accrued income | 2.5 | 369 | — |
| Total current assets | | 5,376 | 5,363 |
| Less current liabilities | | | |
| Accrued expenses | | 308 | 319 |
| Other credit balances | 2.6 | 1,339 | 1,264 |
| Net Exchequer funding | 2.7 | (14) | 936 |
| Total current liabilities | | 1,633 | 2,519 |
| Net current assets | | 3,743 | 2,844 |
| Net assets | | 13,426 | 13,142 |
| Represented by: | | | |
| State funding account | 2.8 | 13,426 | 13,142 |

2.1 Capital assets

| | IT equipment | Furniture and fittings | Office equipment | Capital assets under development | Total |
|---|-----------------|---------------------------|---------------------|--|--------------|
| | €000 | €000 | €000 | €000 | €000 |
| Gross assets | | | | | |
| Cost or valuation at 1 January 2019 | 22,256 | 120 | 2 | 1,205 | 23,583 |
| Additions | 2,437 | 21 | — | 255 | 2,713 |
| Cost or valuation at 31 December 2019 | 24,693 | 141 | 2 | 1,460 | 26,296 |
| Accumulated depreciation | | | | | |
| Opening balance at 1 January 2019 | 13,238 | 45 | 2 | — | 13,285 |
| Depreciation for the year | 3,312 | 16 | — | — | 3,328 |
| Cumulative depreciation at 31 December 2019 | 16,550 | 61 | 2 | — | 16,613 |
| Net assets at 31 December 2019 | 8,143 | 80 | — | 1,460 | 9,683 |
| Net assets at 31 December 2018 | 9,018 | 75 | — | 1,205 | 10,298 |

2.2 Bank and cash

| | | |
|----------------|--------------|--------------|
| at 31 December | 2019 | 2018 |
| | €000 | €000 |
| PMG balance | 1,009 | 1,839 |
| | 1,009 | 1,839 |

All PMG accounts transferred to Danske Bank on 1 October 2018. The Department closed its petty cash accounts in 2019.

2.3 Stocks

| | | |
|----------------|-------------|-------------|
| at 31 December | 2019 | 2018 |
| | €000 | €000 |
| Stationery | 13 | 10 |
| IT consumables | 10 | 11 |
| | 23 | 21 |

2.4 Other debit balances

| | | |
|---|-------------|-------------|
| at 31 December | 2019 | 2018 |
| | €000 | €000 |
| Recoupable salaries | 32 | 16 |
| Recoupable travel expenditure | 3 | 9 |
| Recoupable travel pass scheme expenditure | 174 | 178 |
| Other debit suspense items | 107 | 158 |
| | 316 | 361 |

2.5 Accrued income

| | | |
|--|-------------|-------------|
| at 31 December | 2019 | 2018 |
| | €000 | €000 |
| National Lottery Regulator pension contributions | 333 | — |
| Institute of Public Administration ASC | 36 | — |
| Total accrued income | 369 | — |

2.6 Other credit balances

| at 31 December | 2019 | 2018 |
|---------------------------------------|---------------------|---------------------|
| | €000 | €000 |
| Amounts due to the State | | |
| Income tax | 491 | 477 |
| Pay related social insurance | 227 | 212 |
| Professional services withholding tax | 148 | 247 |
| Value added tax | 250 | 156 |
| Pension contributions | 89 | 2 |
| Local property tax | 3 | 4 |
| | <u>1,208</u> | <u>1,098</u> |
| Payroll deductions held in suspense | 107 | — |
| Other credit suspense items | 24 | 166 |
| | <u>1,339</u> | <u>1,264</u> |

2.7 Net Exchequer funding

| at 31 December | 2019 | 2018 |
|------------------------------|--------------------|-------------------|
| | €000 | €000 |
| Surplus to be surrendered | 1,978 | 3,338 |
| Deferred surrender | 146 | — |
| Exchequer grant undrawn | (2,138) | (2,402) |
| Net Exchequer funding | <u>(14)</u> | <u>936</u> |
| Represented by: | | |
| Debtors | | |
| Bank and cash | 1,009 | 1,839 |
| Debit balances: suspense | 316 | 361 |
| | <u>1,325</u> | <u>2,200</u> |
| Creditors | | |
| Due to State | (1,208) | (1,098) |
| Credit balances: suspense | (131) | (166) |
| | <u>(1,339)</u> | <u>(1,264)</u> |
| | <u>(14)</u> | <u>936</u> |

2.8 State funding account

| | Note | 2019 | 2018 |
|---|---------|---------------|---------------|
| | | €000 | €000 |
| Balance at 1 January | | 13,142 | 10,318 |
| Disbursements from the Vote | | | |
| Estimate provision | Account | 58,993 | |
| Deferred surrender | Account | (146) | |
| Surplus to be surrendered | Account | (1,978) | |
| Net vote | | 56,869 | 53,577 |
| Expenditure (cash) borne elsewhere | | 5,332 | 5,294 |
| Non-cash items – capital assets adjustments | | — | (396) |
| Non-cash expenditure – notional rent | | 2,449 | 2,365 |
| Net programme cost | | (64,366) | (58,016) |
| Balance at 31 December | | 13,426 | 13,142 |

2.9 Commitments

| | 2019 | 2018 |
|---|------------|--------------|
| | €000 | €000 |
| At 31 December | | |
| Procurement of goods and services | 643 | 599 |
| Capital projects | 107 | 454 |
| Total of legally enforceable commitments | 750 | 1,053 |

2.10 Matured liabilities

| | 2019 | 2018 |
|--|------|------|
| | €000 | €000 |
| At 31 December | | |
| Estimate of matured liabilities not discharged at year end | 6 | 9 |

Note 3 Vote Expenditure

Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

| | | 2019 | | 2018 |
|-----|--|--------------------|---------------|---------------|
| | | Estimate provision | Outturn | Outturn |
| | | €000 | €000 | €000 |
| i | Salaries, wages and allowances | 28,043 | 27,460 | 25,452 |
| ii | Travel and subsistence | 360 | 320 | 287 |
| iii | Training and development and incidental expenses | 997 | 1,161 | 1,162 |
| iv | Postal and telecommunication services | 295 | 214 | 198 |
| v | Office equipment and external IT services | 1,612 | 1,446 | 994 |
| vi | Office premises expenses | 405 | 355 | 269 |
| vii | Consultancy and other services | 30 | 4 | — |
| | | 31,742 | 30,960 | 28,362 |

Programme A Public Expenditure and Sectoral Policy

| | | 2019 | | 2018 |
|------|--|--------------------|---------------|---------------|
| | | Estimate provision | Outturn | Outturn |
| | | €000 | €000 | €000 |
| A.1 | Administration – pay | 9,412 | 9,648 | 8,552 |
| A.2 | Administration – non pay | 1,030 | 981 | 443 |
| A.3 | Economic and Social Research Institute – administration and general expenses | 2,775 | 2,775 | 2,775 |
| A.4 | Structural funds technical assistance and other costs | 1,116 | 1,104 | 1,177 |
| A.5 | Technical assistance costs of Regional Assemblies | 650 | 650 | 638 |
| A.6 | Peace Programme/Northern Ireland INTERREG | 1,175 | 1,339 | 833 |
| A.7 | Special EU Programmes Body | 1,125 | 961 | 1,030 |
| A.8 | Ireland/Wales and Transnational INTERREG | 220 | 79 | 131 |
| A.9 | Consultancy and other services | 396 | 277 | 23 |
| A.10 | Funding for pensions for bodies under the aegis of the Department | 500 | 542 | 755 |
| A.11 | Irish Government Economic and Evaluation Service | 345 | 284 | 156 |
| | | 18,744 | 18,640 | 16,513 |

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme A was €104,000 lower than originally provided.

A.6 Peace Program/Northern Ireland INTERREG

Estimate provision: €1.175 million, outturn: €1.339 million

The excess in expenditure of €164,000 million relative to the estimate provision was due to the timing of SEUPB administered PEACE and INTERREG programmes.

A.7 Special EU Programmes Body

Estimate provision: €1.125 million, outturn: €961,000

The saving in expenditure of €164,000 relative to the estimate provision was due to the timing of SEUPB activities in relation to 2014-2020 programme expenditure which funded SEUPB's PEACE Programme expenditure in subhead A.6

A.8 Ireland/Wales and Transnational INTERREG

Estimate provision: €220,000, outturn: €79,000

The shortfall in expenditure of €141,000 relative to the estimate provision was due to the timing of payments in relation to contributions for the 2014-2020 programme and other payments.

A.9 Consultancy and other services

Estimate provision: €396,000, outturn: €277,000

The saving in expenditure of €119,000 relative to the estimate provision was due to the timing of reviews of OPW Flood Relief Environment Impact Schemes for Ministerial confirmation.

Programme B Public Service Management and Reform

| | | 2019 | | 2018 |
|------|--|---------------------------|----------------|----------------|
| | | Estimate provision | Outturn | Outturn |
| | | €000 | €000 | €000 |
| B.1 | Administration – pay | 18,631 | 17,812 | 16,899 |
| B.2 | Administration – non pay | 2,669 | 2,519 | 2,467 |
| B.3 | Institute of Public Administration | 2,725 | 2,725 | 2,725 |
| B.4 | Civil service arbitration and appeals procedure | 40 | 32 | 40 |
| B.5 | Consultancy and other services | 582 | 367 | 302 |
| B.6 | Office of the Government Chief Information Officer | 12,230 | 12,445 | 13,433 |
| B.7 | Reform agenda | 1,600 | 1,314 | 1,599 |
| B.8 | Employee Assistance Officer shared service | 1,461 | 1,376 | 1,347 |
| B.9 | Public Service Pay Commission | 360 | 226 | 307 |
| B.10 | Civil service learning and development programme | 954 | 675 | 1,395 |
| B.11 | Single public service pension administration project | 290 | 244 | 366 |
| B.12 | Implementation of Protected Disclosures Act | 220 | 220 | 220 |
| B.13 | Non-profit sector data project | 950 | 950 | — |
| | | 42,712 | 40,905 | 41,100 |

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme B was €1.807 million lower than provided. Savings in administration expenditure totalled €969,000. The balance of the variance was mainly due to the following.

B.5 Consultancy and other services

Estimate provision: €582,000, outturn: €367,000

The saving in expenditure of €215,000 relative to the estimate provision was due, in the main, to lower costs than expected associated with a court case where the legal process concluded in 2019 as well as the postponement of public service policy consultancy expenditure. There were also a number of smaller savings across the business units in Programme B.

B.7 Reform agenda

Estimate provision: €1.6 million, outturn: €1.314 million

The saving in expenditure of €286,000 relative to the estimate provision was due to a combination of smaller savings over a number of policy and programme areas, particularly in civil service HR resourcing, policy and capacity.

B.9 Public Service Pay Commission

Estimate provision: €360,000, outturn: €226,000

The saving in expenditure of €134,000 relative to the estimate provision was due to the Commission concluding its work mid-year.

B.10 Civil service learning and development programme

Estimate provision: €954,000, outturn: €675,000

The saving in expenditure of €279,000 relative to the estimate provision was due to the later than anticipated completion of the IT platform required for a civil service learning and development service. The work on the IT platform was completed in 2019 and the final retention payment was due in 2020. €146,000 of 2019 capital was carried over into 2020 to finance the final payment.

Note 4 Receipts

4.1 Appropriations-in-aid

| | 2019 | | 2018 |
|---|--------------|--------------|--------------|
| | Estimated | Realised | Realised |
| | €000 | €000 | €000 |
| 1 EU programmes | 729 | 667 | 1,924 |
| 2 Pension cash flow surpluses | 56 | 85 | 58 |
| 3 Miscellaneous | 65 | 120 | 81 |
| 4 Receipts from additional superannuation contributions on public service remuneration ^a | 1,613 | 1,804 | 1,973 |
| Total | 2,463 | 2,676 | 4,036 |

Note ^a The 2018 figure refers to pension related deductions. These were replaced by additional superannuation contributions from 1 January 2019.

Significant variations

Overall, appropriations-in-aid were €213,000 more than the original estimate. Explanations for variances are set out below:

4 Receipts from additional superannuation contributions on public service remuneration

Estimate: €1.613 million, realised: €1.804 million

The increase of €191,000 was due, in the main, to deferred payments by the National Lottery Regulator of employee and employer contributions on the resolution of a number of pension matters.

4.2 Extra receipts payable to the Exchequer

| | 2019 | 2018 |
|---|------|------|
| | €000 | €000 |
| Balance at 1 January | — | 8 |
| Voluntary surrender of ministerial salaries | 19 | 4 |
| Open Data award refund | — | 3 |
| EU Interact III refund | — | 5 |
| Transferred to the Exchequer | (19) | (20) |
| Balance as at 31 December | — | — |

Note 5 Staffing and Remuneration

5.1 Employee numbers

| Full time equivalents | 2019 | 2018 |
|-----------------------------|------|------|
| Number of staff at year end | 430 | 431 |

5.2 Pay

| | 2019 €000 | 2018 €000 |
|--|---------------|---------------|
| Pay | 26,947 | 26,129 |
| Higher, special or additional duties allowance | 275 | 262 |
| Other allowances | 53 | 145 |
| Overtime | 80 | 51 |
| Employer's PRSI | 2,039 | 1,785 |
| Total pay^a | 29,394 | 28,372 |

Note ^a The total pay figure is inclusive of pay in subheads A.1, A.4, B.1 and B.8.

The Department does not directly fund the pay costs of any of the bodies under its aegis. The Regulator of the National Lottery is funded by the National Lottery Operator. The pay costs of the Economic and Social Research Institute, the Institute of Public Administration, or the Special EU programmes Body are not funded directly by the Department.

5.3 Allowances and overtime payments

| | Number of recipients | Recipients of €10,000 or more | Highest individual payment | |
|--|----------------------|-------------------------------|----------------------------|-----------|
| | | | 2019 € | 2018 € |
| Higher, special or additional duties | 40 | 8 | 34,389 | 20,806 |
| Other allowances | 9 | — | 8,984 | 8,866 |
| Overtime | 48 | 1 | 11,350 | 8,931 |
| Extra remuneration in more than one category | 7 | 5 | 28,469 | 18,860 |

5.4 Other remuneration arrangements

This account includes expenditure of €159,582 (2018: €7,969) in respect of three officers who were serving outside the Department for all or part of 2019 and whose salary was paid by the Department.

Under the terms of the AHCPs 1% Programme for Competitiveness and Work (PCW) restructuring agreement, 42 officers (2018: 40) received a total of €106,218 (2018: €90,482) in respect of PCW/seniority allowances.

5.5 Payroll overpayments

| at 31 December | Number of recipients | 2019 € | 2018 € |
|-------------------------|----------------------|-----------|-----------|
| Overpayments | 24 | 49,043 | 49,978 |
| Recovery plans in place | 8 | 12,487 | 26,806 |

Five individuals with recovery plans in place to a value of €7,461 transferred to other departments in the year.

5.6 Severance/redundancy

During 2019, one staff member whose employment was terminated was paid a severance payment of €44,259.

Note 6 Miscellaneous

6.1 EU funding

The outturn shown in headings A.4, A.5 and A.6 includes the following payments in respect of activities which are co-financed by the EU.

| Heading | Description | 2019 | 2019 | 2018 |
|---------|---|--------------|--------------|--------------|
| | | Estimate | Outturn | Outturn |
| | | €000 | €000 | €000 |
| A.4 | Structural funds technical assistance and other costs | 860 | 857 | 927 |
| A.5 | Technical assistance costs of Regional Assemblies | 650 | 650 | 638 |
| A.6 | Peace Programme/Northern Ireland INTERREG | 1,175 | 1,339 | 833 |
| | | 2,685 | 2,846 | 2,398 |

6.2 Committees, commissions and special inquiries

| | Year of appointment | 2019 | 2018 |
|--|---------------------|---|------------|
| | | €000 | €000 |
| Permanent commission | | | |
| Civil Service Arbitration Board ^a | 1950/51 | 32 | 23 |
| Fixed purpose commission | | | |
| | Year of appointment | Cumulative expenditure to the end of 2019 | |
| Public Service Pay Commission ^b | 2017 | 700 | 307 |
| | | 258 | 330 |

Note ^a The Civil Service Arbitration Board provides means acceptable both to the State and to its employees for dealing with claims and proposals relating to the conditions of service of civil servants and to secure the fullest co-operation between the State, as employer, and civil servants, as employees, for the better discharge of public business.

^b The Public Service Pay Commission was established to consider public service remuneration matters and report to the Government.

6.3 Contingent liabilities

The Human Rights and Equality Commission Act 2014, by amending Section 3(A) of the European Convention on Human Rights Act 2003, allows people who have been unlawfully detained as a result of judicial error to sue the Minister for Public Expenditure and Reform for compensation.

One case was settled for €10,000 under Section 54 of the 2014 Act. The costs in this case were €14,000. These amounts were paid in early 2020.

At the year end, the Chief State Solicitor's Office was managing two active compensation cases on behalf of the Minister.

6.4 Compensation and legal costs

The Department received a final judgement in its favour in respect of a legal case and costs were partly awarded in favour of the Department. However, the Department was also liable for some costs and the amount determined through the process of assessment and measurement of legal costs by the Office of the Taxing Master was €170,000.

Note 7 Contingency Fund

| | 2019 | 2018 |
|------------------------|---------------------|---------------------|
| | €000 | €000 |
| Balance at 1 January | 1,200 | 1,200 |
| Receipts | — | — |
| Payments | — | — |
| Balance at 31 December | <u>1,200</u> | <u>1,200</u> |

The Contingency Fund is a non-statutory fund formed in 1923. The fund is available for use to facilitate the defraying of urgent or unforeseen expenditure which is not covered by the ordinary Votes and for which it may be impracticable to seek the immediate approval of Dáil Éireann e.g. during recess.

The procedures in relation to the operation of the Fund are set out in *Public Financial Procedures* (Sections C.1.5 to C.1.12).

The size of the Fund is reviewed every five years. Following a review in 2020, it was decided that the Fund should remain at its existing level.

Appendix A Accounts of bodies and funds under the aegis of the Department of Public Expenditure and Reform

The following table lists the bodies and funds 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 |
|--|-------------------------------|-----------------------------|--|---|
| Economic and Social Research Institute | 2018 | 10 Jul 2019 | 29 Jul 2019 | 27 Aug 2019 |
| Institute of Public Administration | 2018 | 20 Sep 2019 | 13 Oct 2019 | 27 Nov 2019 |
| Ireland-United States Educational Fund | 2018 | 16 Dec 2019 | 16 Dec 2019 | 17 Dec 2019 |
| Regulator of the National Lottery | 2018 | 18 Jun 2019 | 18 Jul 2019 | 27 Nov 2019 |
| Special EU Programmes Body | 2018 | 28 Jun 2019 | 13 Sep 2019 | 4 Dec 2019 |
| State Property Miscellaneous Deposit Account | 2018 | 16 Dec 2019 | 16 Dec 2019 | 17 Dec 2019 |
| Traveller's Protection Fund | 2018 | 17 Jun 2019 | 21 Jun 2019 | 9 Jul 2019 |