

**Vote 21 Prisons**

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## Introduction

As Accounting Officer for Vote 21, 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 2011 for the salaries and expenses of the Prison Service, and other expenses in connection with prisons, including places of detention; for probation services and for payment of a grant-in-aid.

The expenditure outturn is compared with the sums

- a) granted by Dáil Éireann under the Appropriation Act 2011, including the amount that could be used as appropriations-in-aid of expenditure for the year and
- b) provided for capital supply services in 2011 out of unspent 2010 appropriations under the deferred surrender arrangement established by section 91 of the Finance Act, 2004.

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

### Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of Appropriation Accounts have been applied in the preparation of the Account except for the following:

#### ***Land and Buildings***

The Minister for Justice and Equality owns 14 prisons and places of detention, as well as property at Beladd Park and Thornton Hall.

Land was valued at open market value by the OPW valuation section during 2009. Land at Thornton Hall has been valued at purchase price.

The basis for valuing prison buildings – average replacement cost per cell – remains unchanged. Prisons land and buildings will be revalued every 5 years with the assistance of the OPW valuation section – the next planned revaluation is 2014. Buildings are not depreciated in the years between revaluations, on the basis that ongoing annual maintenance expenditure is sufficient to maintain their condition. With the exception of land and buildings, all other capital assets are depreciated on a straight line basis over their estimated useful life starting in the month placed in service.

### Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Prison Service.

**Brian Purcell**  
Accounting Officer  
Department of Justice and Equality  
28 March 2012

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

I have audited the Appropriation Account of Vote 21: Prisons for 2011 under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Justice and Equality in respect of the Vote for Prisons. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2011.

**Seamus McCarthy**  
Comptroller and Auditor General  
28 August 2012

## Vote 21 Prisons Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1. Salaries, wages and allowances	248,582	242,728	241,955
A.2. Travel and subsistence	2,016	2,163	2,082
A.3. Incidental expenses	7,687	3,962	5,884
A.4. Postal and telecommunications services	3,485	2,814	3,154
A.5. Office machinery and other office supplies and related services	3,523	4,368	5,100
A.6. Consultancy services	90	60	66
A.7. Value for money and policy reviews	50	—	—
<b>Other services</b>			
B. Buildings and equipment			
	<i>Current year provision</i> 44,052		
	<i>Deferred surrender</i> 2,000	46,052	47,181
	<hr/>		30,486
C. Prison services, etc.	32,407	40,086	41,336
D. Manufacturing department and farm	629	715	586
E. Probation service - services to offenders	53	—	26
F. Educational services	1,265	1,240	1,457
G. Prison Officers' Medical Aid Society (grant-in-aid)	121	—	—
H. Compensation	2,873	2,869	2,854
I. Social disadvantage measures (dormant accounts funded)	750	229	218
	<hr/>		<hr/>
<b>Gross expenditure</b>			
	<i>Current year provision</i> 347,583		
	<i>Deferred surrender</i> 2,000	349,583	348,415
	<hr/>		335,204
<b>Deduct</b>			
J. Appropriations-in-aid	18,372	18,266	18,095
	<hr/>		<hr/>
<b>Net expenditure</b>			
	<i>Current year provision</i> 329,211		
	<i>Deferred surrender</i> 2,000	331,211	330,149
	<hr/>	<hr/>	<hr/>
		331,211	330,149
		<hr/>	<hr/>
<b>Surplus for the year</b>		€1,062,388	€17,622,088
<b>Deferred surrender</b>		—	€2,000,000
		<hr/>	<hr/>
<b>Surplus to be surrendered</b>		€1,062,388	€15,622,088
		<hr/>	<hr/>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			256,095	258,241
Expenditure on services and programmes			92,320	76,963
<b>Gross expenditure</b>			<b>348,415</b>	<b>335,204</b>
Deduct				
<b>Appropriations-in-aid</b>			<b>18,266</b>	<b>18,095</b>
<b>Net expenditure</b>			<b>330,149</b>	<b>317,109</b>
<b>Changes in capital assets</b>				
Purchases cash		(5,345)		
Depreciation		4,947		
Disposals cash		29		
Profit on disposals		(20)	(389)	(10,212)
<b>Changes in assets under development</b>				
Cash payments			(32,165)	(10,102)
<b>Changes in net current assets</b>				
Increase in closing accruals		4,311		
Decrease in stock		601		
			4,912	537
<b>Direct expenditure</b>			<b>302,507</b>	<b>297,332</b>
Net allied services expenditure	1.1		41,193	46,634
<b>Total operating cost</b>			<b>343,700</b>	<b>343,966</b>

#### 1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 21 borne elsewhere.

Vote		2011 €000	2010 €000
7	Superannuation and Retired Allowances	39,740	43,794
10	Office of Public Works	94	1,448
19	Justice and Equality - Financial Shared Services Centre	1,359	1,392
		<b>41,193</b>	<b>46,634</b>

## 2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
<b>Capital assets</b>	2.1	773,068	755,263
<b>Capital assets under development</b>	2.2	30,439	15,690
		<b>803,507</b>	<b>770,953</b>
<b>Current assets</b>			
Bank and cash	2.3	9,616	8,688
Stocks	2.4	1,321	1,922
Prepayments		367	380
Accrued income		130	310
Other debit balances	2.5	1,490	1,578
<b>Total current assets</b>		<b>12,924</b>	<b>12,878</b>
<b>Less current liabilities</b>			
Accrued expenses		7,776	3,658
Other credit balances	2.6	11,044	10,244
Net liability to the Exchequer	2.7	62	22
<b>Total current liabilities</b>		<b>18,882</b>	<b>13,924</b>
<b>Net current liabilities</b>		<b>(5,958)</b>	<b>(1,046)</b>
<b>Net assets</b>		<b>797,549</b>	<b>769,907</b>
<b>Represented by:</b>			
<b>State funding account</b>		<b>797,549</b>	<b>769,907</b>

## 2.1 Capital Assets

	Land and buildings €000	Office equipment €000	Furniture and fittings €000	Motor vehicles €000	Total €000
<b>Gross assets</b>					
Cost or valuation at 1 January 2011	742,258	70,678	765	8,748	822,449
Additions	21,373	1,333	12	43	22,761
Disposals	—	(3,639)	(2)	(74)	(3,715)
Cost or valuation at 31 December 2011	763,631	68,372	775	8,717	841,495
<b>Accumulated depreciation</b>					
Opening balance at 1 January 2011	—	61,285	573	5,328	67,186
Depreciation for the year	—	3,676	36	1,235	4,947
Depreciation on disposals	—	(3,630)	(2)	(74)	(3,706)
Cumulative depreciation at 31 December 2011	—	61,331	607	6,489	68,427
<b>Net assets at 31 December 2011</b>	<b>763,631</b>	<b>7,041</b>	<b>168</b>	<b>2,228</b>	<b>773,068</b>
<b>Net assets at 31 December 2010</b>	<b>742,258</b>	<b>9,393</b>	<b>192</b>	<b>3,420</b>	<b>755,263</b>

## 2.2 Capital Assets under Development

as at 31 December

	Construction contracts	
	2011 €000	2010 €000
Amounts brought forward at 1 January	15,690	77,796
Cash payments for the year	32,165	10,102
Transferred to asset register	(17,416)	(72,208)
Amounts carried forward at 31 December	30,439	15,690

## 2.3 Bank and Cash

at 31 December

	2011 €000	2010 €000
PMG balances and cash	10,265	10,969
Orders outstanding	(649)	(2,281)
	9,616	8,688

<b>2.4 Stocks</b>	<b>2011</b>	<b>2010</b>
at 31 December	€000	€000
Uniforms and clothing	1,058	1,433
Furniture and maintenance material	141	206
Food	17	18
Miscellaneous	105	265
	<u>1,321</u>	<u>1,922</u>
	<u><u>1,321</u></u>	<u><u>1,922</u></u>
<b>2.5 Other Debit Balances</b>	<b>2011</b>	<b>2010</b>
at 31 December	€000	€000
Imprests	728	727
Other debit suspense items	762	851
	<u>1,490</u>	<u>1,578</u>
	<u><u>1,490</u></u>	<u><u>1,578</u></u>
<b>2.6 Other Credit Balances</b>	<b>2011</b>	<b>2010</b>
at 31 December	€000	€000
<b>Amounts due to the State</b>		
Income Tax	5,682	4,053
Pay Related Social Insurance	2,276	2,925
Retention Tax	168	287
Value Added Tax	1,077	1,317
Construction Tax	1	—
Tax deducted from pension contribution refunds	8	2
Staff pension contributions	865	793
	<u>10,077</u>	<u>9,377</u>
Payroll deductions held in suspense	851	721
Other credit suspense items	116	146
	<u>11,044</u>	<u>10,244</u>
	<u><u>11,044</u></u>	<u><u>10,244</u></u>



**2.7 Net Liability to the Exchequer**

at 31 December	2011 €000	2010 €000
Surplus to be surrendered	1,062	15,622
Deferred surrender	—	2,000
Surplus for the year	1,062	17,622
Exchequer grant undrawn	(1,000)	(17,600)
Net liability to the Exchequer	62	22

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

Bank and cash	9,616	8,688
Debit balances: suspense	1,490	1,578
	11,106	10,266

**Creditors**

Due to State	(10,077)	(9,377)
Credit balances: suspense	(967)	(867)
	(11,044)	(10,244)
	62	22

**2.8 Commitments**

at 31 December	2011 €000	2010 €000
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**(a) Global Commitments**

Total of legally enforceable commitments	385	385
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**(b) Multi-Annual Capital Commitments**

	Expenditure to 31 December 2010 €000	Expenditure in 2011 €000	Subsequent years €000	Total cost €000
Midlands Prison	1,511	14,477	12,754	28,742
Mountjoy and Dochas	1,160	9,702	1,259	12,121
Other projects	1	3,588	410	3,999
	2,672	27,767	14,423	44,862

The figure for subsequent years expenditure represents commitments where formal contracts were entered into at 31 December 2011.

### 3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5% (25% in the case of administration subheads).

<b>Sub-head</b>	<b>Less/(more) than provided €000</b>	<b>Explanation</b>
A.3.	3,725	The savings in this subhead arose from reduced expenditure in training costs for new recruits due to the moratorium on recruitment (outturn of €1.30m from a provision of €1.50m). In addition, due to the introduction of a new arrangement for uniform issues, the expenditure in 2011 was less than prior years (outturn of €0.99m from a provision of €2.80m). Cost saving measures in relation to staff catering arrangements also gave rise to reduced expenditure in 2011.
A.4.	671	The saving arose due to continued efficiencies realised through telecommunications operations and new contract arrangements for telecommunication services.
A.5.	(845)	The excess arose due to additional ICT projects commencing in 2011. These projects included CCTV data storage and related infrastructure upgrades as well as education/work and training systems.
C.	(7,679)	The excess arose due to the increased running cost of the prisons including utilities such as heat, light and fuel as well as other day to day costs such as food, clothing and healthcare costs.
G.	121	The saving arose as funding is no longer provided to the Prison Officers Medical Aid Society.
I.	521	The timing of expenditure under the dormant accounts initiatives is difficult to anticipate as it is dependent on the rate of progress in funded projects.

## 4 Receipts

	2011 Estimated €000	2011 Realised €000	2010 Realised €000
<b>4.1 Appropriations-in-aid</b>			
1. Receipts from manufacturing department and farm (including produce used in prisons)	905	1,028	1,059
2. European Social Fund	5	—	—
3. Proceeds from the sale of prison property	—	—	—
4. Miscellaneous	519	405	360
5. Dormant account receipts	750	229	218
6. Receipts from pension - related deduction on public service remuneration	16,193	16,604	16,458
<b>Total</b>	<b>18,372</b>	<b>18,266</b>	<b>18,095</b>

### Explanation of significant variation

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

Heading	Less/(more) than estimated €000	Explanation
1.	(123)	Receipts from prison manufacturing activities are difficult to quantify in advance.
4.	114	Receipts in this category are difficult to predict.
5.	521	Receipts from the dormant accounts fund are linked to expenditure under subhead I and are consequently difficult to predict.

## 5 Employee Numbers and Pay

	2011	2010
<b>Number of staff at year end</b> (full time equivalents)	3,489	3,521
	<b>€000</b>	<b>€000</b>
Pay	142,364	143,493
Higher, special or additional duties allowances	653	507
Other allowances	49,680	49,556
Overtime and extra attendance	35,415	34,950
Employer's PRSI	14,616	13,449
<b>Total pay</b>	<b>242,728</b>	<b>241,955</b>

## 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2011 €	2010 €
Higher, special or additional duties	159	7	12,565	13,566
Overtime and extra attendance	3,357	1,913	29,870	31,479
Shift and roster allowances	3,078	517	26,205	22,603
Miscellaneous	3,514	444	17,279	18,316

**Note:** Certain individuals received extra remuneration in more than one category.

## 5.2 Other Remuneration Arrangements

A total of €51,807 was paid to 11 retired civil servants in receipt of civil service pensions, ranging from €212 to €16,891, who were re-employed on various duties during 2011.

A total of €122,400 was paid as fees/expenses to nine members of the Prisons Interim Board in 2011. This payment covered the period 1 July 2010 to 30 June 2011. The Board was discontinued with effect from 28th July, 2011.

## 6 Miscellaneous

### 6.1 Prison Population

The estimated daily average number of prisoners in 2011 was 4,390 (4,299 in 2010).

### 6.2 Compensation and Legal Costs

Compensation and legal costs totalling €817,963 and ranging from €31 to €340,000 was paid in respect of 33 claims arising out of injuries received by Prison staff while on duty and other issues involving Prison staff.

Compensation payments totalling €999,044 were made arising from 77 awards of the Criminal Injuries Compensation Tribunal. The payments ranged from €850 to €75,925 and were paid in respect of claims arising out of injuries received by Prison staff.

Compensation and legal costs totalling €817,535 and ranging from €17 to €55,000 was paid in respect of 69 claims arising out of injuries received by prisoners and other actions involving prisoners.

Compensation and legal costs totalling €227,445 and ranging from €31 to €80,000 was paid in respect of 20 claims arising out of injuries to civilians.

### 6.3 Prisoners' Funeral Expenses

Ex gratia payments totalling €10,335 were made towards the funeral expenses of 7 offenders who died while in prison.

### 6.4 Prisoner Assist Programme Fund

In the course of carrying out its statutory function, the Prison Service and its agents operate certain bank accounts. These accounts are accounted for separately and do not form part of this Account as they do not relate to voted funds.

## Appendix

### Abstract Statement of the Manufacturing Accounts of the Prisons for the year ended 31 December 2011

	Agriculture	Other industries	Total 31 December 2011	Total 31 December 2010
	€000	€000	€000	€000
Stock on hand at 1 January 2011	7	238	245	337
Purchases	70	656	726	579
Profit	10	308	318	387
	<u>87</u>	<u>1,202</u>	<u>1,289</u>	<u>1,303</u>

  

	Agriculture	Other industries	Total 31 December 2011	Total 31 December 2010
	€000	€000	€000	€000
Sales	80	944	1,024	1,058
Stock on hand at 31 December 2011 <sup>1</sup>	7	258	265	245
	<u>87</u>	<u>1,202</u>	<u>1,289</u>	<u>1,303</u>

<sup>1</sup>The stock on hand at 31 December 2011 comprises materials and manufactured goods totalling €163,785 and tools and manufacturing equipment totalling €101,172.

	2011	2010
	€000	€000
<b>Reconciliation with Appropriation Account</b>		
Amount due in respect of purchases as at 1 January	1	8
Purchases during year ended 31 December	726	579
	<u>727</u>	<u>587</u>
Amount due in respect of purchases as at 31 December	(12)	(1)
Expenditure from subhead D as per Appropriation Account	<u>715</u>	<u>586</u>
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Amount due in respect of sales as at 1 January	8	9
Sales during year ended 31 December	1,024	1,058
	<u>1,032</u>	<u>1,067</u>
Amount due in respect of sales as at 31 December	(4)	(8)
Receipts under subhead J.1 as per Appropriation Account	<u>1,028</u>	<u>1,059</u>

**Brian Purcell**  
Accounting Officer  
Department of Justice and Equality  
28 March 2012