

## **Vote 43 Children and Youth Affairs**

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## Introduction

As Accounting Officer for Vote 43, 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 under Vote 43 in the year ended 31 December 2011 for the salaries and expenses of the Office of the Minister for Children and Youth Affairs, for certain services administered by that Office, and for the payment of certain grants and grants-in-aid.

The expenditure outturn is compared with the sums 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.

As a result of changes by the Government in 2011 to the titles and responsibilities of Ministers and Government Departments, the Department of Children and Youth Affairs was established on 2nd June 2011 by the Community, Equality and Gaeltacht Affairs (Alteration of Name of Department and Title of Minister) Order 2011. (S.I. No. 214/2011). Arising from this and through the transfer of certain other functions to the Minister, Vote 43 for the Office of the Minister for Children and Youth Affairs was established which brought together functions and related funding from four Votes. These included -

From Vote 39 of the Department of Health, the full year allocation in respect of the provision for:

- \* the pay and non-pay costs of staff in what had been the Office of the Minister for Children and Youth Affairs (OMCYA),
- \* national lottery grants and legal fees; and
- \* operating costs for the Adoption Authority of Ireland, the Office of the Ombudsman for Children and the Children's Acts Advisory Board.

From Vote 41 (relating to the former Office of the Minister for Children and Youth Affairs), the unspent balances at the point of transfer relating to the various programmes implemented by the OMCYA.

From Vote 26 of the Department of Education and Skills (DES), the full year provision in respect of the National Education Welfare Board, the Visiting Teacher's Service for Travellers and the School Completion Programme, as well as the pay and non-pay costs of DES staff transferring to the Department.

Votes 27 Community, Equality and Gaeltacht Affairs and 41 Office of the Minister for Children and Youth Affairs were thereafter retired.

A range of capital assets were transferred in to Vote 43 in 2011 from a number of Departments who were being dissolved. These assets were transferred in to the accounts of the Vote at their net book value.

In addition to this, the functions of the Family Support Agency in relation to the provision of Family Mediation Services, together with the relevant staff engaged in the provision of the service were subsequently transferred to the Legal Aid Board with effect from 1 November 2011 under the Civil Law (Miscellaneous Provisions) Act 2011 (Commencement) (No. 2) Order 2011. (S.I. No. 539/2011).

Direct comparisons between the expenditure outlays in the 2011 Appropriation Account for Vote 43, and the outturns for the programmes and services delivered under Votes 26, 27, 39 and 41 in 2010 are therefore complex. The 2010 outturn figures are, however, contained in the respective accounts for those Votes.

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 have been applied in the preparation of the Account except for the following:

The charge under subhead B.1 relates to payments to the Department of Social Protection in respect of the Early Childcare Payment Scheme. The amount charged to the subhead is the amount paid to that Department in 2011.

### **Statement on Internal Financial Control**

Along with the Account, I have supplied a Statement on Internal Financial Control in the standard format. The context for this statement is the establishment of the Department of Children and Youth Affairs (DCYA) in June 2011 i.e., mid way through the period under audit. The corporate functions of the Department were established ab initio and were not inherited from an existing Department. The approach taken during 2011 was to transition from the existing processing and control systems of Departments from which responsibilities were being transferred to either a shared service platform or a Department of Children and Youth Affairs specific arrangement. Thus payroll, accounts and ICT continue to be delivered by the Department of Health on behalf of the DCYA under a shared service arrangement. Internal audit and risk management, as referred to in the Statement on Internal Financial Control, are also being transitioned. The Department of Health's Audit Committee and its Internal Audit function provided oversight for the bulk of DCYA expenditure up until December 2011.

Responsibility for the Children's Detention Centres transferred to the Department on 1 January 2012 from the Department of Justice and Equality (DJE). Again on a transitional basis the DJE internal audit function continues to oversee the Children's Detention Centres for an interim period while DCYA puts arrangements in place. The DCYA has recently established its own dedicated Audit and Risk Committee. Having examined shared service options for our internal audit function we are now, having identified suitably trained staff, putting in place a dedicated internal audit function. The approach to risk management is integrated with business planning and existing risks were reviewed in this context during 2011 as well as in the context of the development of the Department's strategy statement.

**Jim Breslin**

Accounting Officer

Department of Children and Youth Affairs

30 March 2012

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

I have audited the Appropriation Account of Vote 43: Children and Youth Affairs 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 Children and Youth Affairs. 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  
7 September 2012

## Vote 43 Children and Youth Affairs Appropriation Account 2011

Service	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
<b>Administration</b>			
A.1 Salaries,wages and allowances	6,505	6,342	—
A.2 Travel and subsistence	137	66	—
A.3 Training and development and incidental expenses	235	75	—
A.4 Postal and telecommunications services	100	62	—
A.5 Office equipment and external IT services	120	66	—
A.6 Office premises	200	211	—
A.7 Consultancy services and value for money and policy reviews	118	3	—
<b>Childcare Payments and Programmes</b>			
B.1 Early childcare payment	1,000	1,000	—
B.2 National childcare investment programme	29,254	28,754	—
B.3 Early intervention programme for children (part funded by the dormant accounts fund)	3,625	3,625	—
B.4 ECCE preschool year programme	80,080	77,110	—
<b>National Childrens Strategy (NCS)</b>			
C. NCS - National Longitudunal study and other programmes	18,091	14,948	—
<b>Youth Services</b>			
D. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part funded by the national lottery)	23,795	23,790	—
<b>Other services</b>			
E. School completion programme	30,256	28,951	—
F. Visiting teacher service for travellers	207	199	—
G. Grants to community organisations (part funded by the national lottery)	500	500	—
H. Statutory and non-statutory inquiries and miscellaneous legal fees	1,000	255	—
I. Developmental, consultative supervisory, regulatory and advisory bodies	31,468	28,365	—
J. Cost in connection with the holding of a constitutional referendum on children's rights	3,000	—	—

	2011 Estimate provision	2011 Outturn	2010 Outturn
	€000	€000	€000
Gross expenditure	229,691	214,322	—
Deduct :			
K. Appropriations-in-aid	<u>7,828</u>	<u>4,254</u>	—
Net expenditure	<u>221,863</u>	<u>210,068</u>	—
Surplus to be surrendered		<u>€11,795,426</u>	—

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2011

	Note	€000	2011 €000	2010 €000
Expenditure on administration			6,825	—
Expenditure on services and programmes			207,497	—
<b>Gross expenditure</b>			<u>214,322</u>	—
Deduct				
<b>Appropriations-in-aid</b>			4,254	—
<b>Net expenditure</b>			<u>210,068</u>	—
<b>Changes in capital assets</b>				
Purchases cash		(12)		
Depreciation		84	72	—
			<u>72</u>	
<b>Changes in net current assets</b>				
Decrease in closing accruals		(11,275)		—
Increase in stock		(26)		
			<u>(11,301)</u>	
<b>Direct expenditure</b>			<u>198,839</u>	—
Net allied services expenditure	1.1		1,804	—
<b>Total operating cost</b>			<u><u>200,643</u></u>	—

#### 1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 43 borne elsewhere

Vote		2011 €000
7	Superannuation and Retired Allowances	105
10	Office of Public Works	1,638
20	Garda Síochána	61
		<u>1,804</u>

## 2 Balance Sheet as at 31 December 2011

	Note	2011 €000	2010 €000
<b>Capital assets</b>	2.1	296	—
		<u>296</u>	<u>—</u>
<b>Current assets</b>			
Stocks	2.3	26	—
Prepayments		1,481	—
Accrued income		9,951	—
Other debit balances	2.4	134	—
Net liability to the Exchequer	2.6	1,794	—
<b>Total current assets</b>		<u>13,386</u>	<u>—</u>
<b>Less current liabilities</b>			
Accrued expenses		157	—
Other credit balances	2.5	225	—
Bank and cash	2.2	1,703	—
<b>Total current liabilities</b>		<u>2,085</u>	<u>—</u>
<b>Net current assets</b>		<u>11,301</u>	<u>—</u>
<b>Net assets</b>		<u>11,597</u>	<u>—</u>
<b>Represented by:</b>			
State funding account		<u>11,597</u>	<u>—</u>



**2.1 Statement of Capital Assets**

	<b>Office equipment €000</b>	<b>Furniture and fittings €000</b>	<b>Total €000</b>
<b>Gross assets</b>			
Cost or valuation at 1 January 2011	—	—	—
Adjustment for assets transferred <sup>1</sup>	575	553	1,128
Additions	13	—	13
Cost or valuation at 31 December 2011	<u>588</u>	<u>553</u>	<u>1,141</u>
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2011	—	—	—
Adjustment for assets transferred	440	321	761
Depreciation for the year	36	48	84
Cumulative depreciation at 31 December 2011	<u>476</u>	<u>369</u>	<u>845</u>
<b>Net assets at 31 December 2011</b>	<u>112</u>	<u>184</u>	<u>296</u>
<b>Net assets at 31 December 2010</b>	<u>—</u>	<u>—</u>	<u>—</u>

<sup>1</sup>From the Department of Health, Department of Community, Equality and Gaeltacht Affairs and the Children's Acts Advisory Board.

**2.2 Bank and Cash**

	<b>2011 €000</b>	<b>2010 €000</b>
at 31 December		
PMG balances and cash	(1,613)	—
Orders outstanding	(90)	—
	<u>(1,703)</u>	<u>—</u>

**2.3 Stocks**

	<b>2011 €000</b>	<b>2010 €000</b>
at 31 December		
Stationery	11	—
IT consumables	15	—
	<u>26</u>	<u>—</u>

**2.4 Other Debit Balances**

at 31 December

	2011	2010
	€000	€000
Advances to OPW	40	—
Recoupable salaries	—	—
Recoupment of travel expenditure	—	—
Recoupment of travel pass scheme	89	—
Other debit suspense items	5	—
	<u>134</u>	<u>—</u>

**2.5 Other Credit Balances**

at 31 December

	2011	2010
	€000	€000
<b>Amounts due to the State</b>		
Income Tax	(4)	—
Pay Related Social Insurance	—	—
Professional Services Withholding Tax	14	—
Relevant Contractors Tax	14	—
Value Added Tax	14	—
Pensions	86	—
	<u>124</u>	<u>—</u>
Payroll deductions held in suspense	—	—
Other credit suspense items	101	—
	<u>225</u>	<u>—</u>

**2.6 Net Liability to the Exchequer**

at 31 December

	2011	2010
	€000	€000
Surplus to be surrendered	11,795	—
Exchequer grant undrawn	(13,589)	—
Net liability to the Exchequer	<u>(1,794)</u>	<u>—</u>
<b>Represented by:</b>		
<b>Debtors</b>		
Debit balances: suspense	134	—
	<u>134</u>	<u>—</u>
<b>Creditors</b>		
Due to State	(124)	—
Bank and cash	(1,703)	—
Credit balances: suspense	(101)	—
	<u>(1,928)</u>	<u>—</u>
	<u>(1,794)</u>	<u>—</u>

**2.7 Global Commitments**

at 31 December

	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Commitments likely to arise in subsequent years for:		
Procurement subheads	5,895	—
Grant subheads	5,035	—
Total commitments	<u>10,930</u>	<u>—</u>

### 3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, 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.	160	The variance arose due to lower than anticipated expenditure on staff training and development in the period immediately following the Department's establishment.
A.7.	115	Savings arose because the level of engagement of external consultants was lower than expected in the period immediately following the Department's establishment.
C.	3,143	Savings relate to a number of programmes including (i) National Longitudinal Study as a result of reduced pay costs and the rescheduling of fieldwork and (ii) the development of the new National Children's Strategy where the expected costs associated with the public consultation/analysis and design and publication did not materialise.
H.	745	Spending under this Subhead is difficult to predict as it is dependent on the completion of court proceedings and the timing of the determination of legal costs.
I.	3,103	The variance is attributable to the agencies and bodies under the remit of the Department and relates to lower than expected expenditure outlays on salaries and other non-pay operational activities such as research and IT.
J.	3,000	The savings arose because the Constitutional Referendum on Children did not take place during 2011.

## 4 Receipts

4.1 Appropriations-in-aid	2011	2011	2010
	Estimated €000	Realised €000	Realised €000
1. EU Receipts - Equal opportunities childcare programme	3,699	—	—
2. Dormant Account Funding	3,000	3,000	—
3. Superannuation scheme - National Education Welfare Board	350	299	—
4. EU Receipts - School completion programme	1	—	—
5. Miscellaneous	—	11	—
6. Receipts from pension related deduction on public service remuneration	778	944	—
<b>Total</b>	<b>7,828</b>	<b>4,254</b>	<b>—</b>

### Explanation of significant variations

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

Heading	Less/(more) than estimated €000	Explanation
1	3,699	The Equal Opportunities Childcare Programme 2000-2006 is co-funded by the EU. A rigorous process of reporting, verifying and certifying expenditure by grant beneficiaries is required before the EU contribution can be reclaimed by the State. The timing of rebates is largely outside the control of the Department and is dependent on the proper certification, through a number of authorities to the EU Commission, of expenditure under schemes operated by the Department or its predecessors and those of other Departments in receipt of relevant EU funding.
6	(166)	The receipts in respect of pension related deductions being higher than expected.

## 5 Employee Numbers and Pay

	2011	2010
<b>Number of staff at year end</b> (full time equivalents)	114	—
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Pay	5,987	—
Higher, special or additional duties allowances	60	—
Other allowances	1	—
Overtime	23	—
Employer's PRSI	271	—
<b>Total pay</b>	<b>6,342</b>	<b>—</b>

### 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2011 €	Maximum individual payment 2010 €
Higher, special or additional duties	11	2	13,478	—
Other allowances	7	—	337	—
Overtime	10	—	3,979	—

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

## 6 Miscellaneous

### 6.1 National Lottery Funding

Subhead Description	2011 Outturn €000	2010 Outturn €000
<b>D</b> Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part funded by the National Lottery)	23,790	—
<b>G</b> Grants to community organisations (part funded by the National Lottery)	500	—
	<b>24,290</b>	<b>—</b>

A list of the recipients of the funding, and the amounts paid is available on the Department's website [www.dcy.a.ie](http://www.dcy.a.ie).

## 6.2 Agency services

Agency services are provided to the Department by the Department of Social Protection in respect of costs charged to Subhead B.1 and by Pobal in respect of services charged to Subheads B2, B4 and in relation to the Comhairle na nÓg Development Fund under Subhead C. A sum of €1,000,000 was paid to the Department of Social Protection in 2011 towards the Early Childcare Payment and €36,721,000 to Pobal, representing the overall sum charged to Subheads B.2, B.4 and B.6 for programmed activities.

The Family Support Agency continued to administer the costs associated with the Family Mediation Service under Subhead I on an interim basis following the transfer of the services to the Legal Aid Board with effect from 1 November 2011.

## 7 Miscellaneous Accounts

### Grant-in-Aid Funds

<b>Subhead Description</b>	<b>2011 Outturn €000</b>	<b>2010 Outturn €000</b>
D. Grant-in-aid fund for general expenses of youth organisations and other expenditure in relation to youth activities (part funded by the National Lottery)	23,790	—
	23,790	—