



## Appropriation Account 2012

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**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 2012 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 granted by Dáil Éireann under the Appropriation Act 2012, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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 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**

#### ***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 Irish Prison Service.

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.

***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.

***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 Prison Service
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines.

The Prisons Service is compliant with all relevant guidelines regarding procurement with the exception of ten contracts to a value of €959,300. These were included on the Circular 40/02 return. Two contracts to a value of €484,562 incurred delays due to the public service moratorium and required sanction from the Department of Public Expenditure and Reform. In the other eight cases, local tender arrangements were in place contrary to national procurement guidelines. The Prisons Service has already put contracted arrangements in place for a number of these supplies and is proactively taking steps to put tenders in place in 2013 for the remainder.

***Internal Audit and Audit Committee***

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with an approved written charter. Its work is informed by an analysis of the financial and management risks to which the Department is exposed. The annual internal audit plans are approved by the Audit Committee and take account of 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 the Audit Committee. I am satisfied that there are procedures in place to ensure that the reports of the internal audit function are followed up.

**Brian Purcell**  
Accounting Officer  
Department of Justice and Equality

28 March 2013

## **Comptroller and Auditor General Report for presentation to the Houses of the Oireachtas**

### **Vote 21 Prisons**

I have audited the appropriation account for Vote 21 Prisons for the year ended 31 December 2012 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, in accordance with standard accounting policies and principles for appropriation accounts.

#### ***Responsibility of the Accounting Officer***

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration in the Prison Service and for the regularity and propriety of all transactions in the appropriation accounts.

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

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare a report each year on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

#### ***Scope of audit***

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of Public Financial Procedures have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

***Opinion on the appropriation account***

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 21 Prisons for the year ended 31 December 2012.

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 Prison Service. The appropriation account is in agreement with the books of account.

***Non-compliance with public procurement rules***

The Accounting Officer has disclosed in the Statement on Internal Financial Control that there were material instances of non-compliance with national procurement rules occurred in respect of contracts that operated in the 2012.

**Seamus McCarthy**  
Comptroller and Auditor General

9 August 2013

## Vote 21 Prisons

### Appropriation Account 2012

|                              |   | 2012               |                | 2011           |
|------------------------------|---|--------------------|----------------|----------------|
|                              |   | Estimate provision | Outturn        | Outturn        |
|                              |   | €000               | €000           | €000           |
| <b>Programme Expenditure</b> |   |                    |                |                |
| A                            | Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison | 336,163            | 334,573        | 348,415        |
| <b>Gross expenditure</b>     |   | <b>336,163</b>     | <b>334,573</b> | <b>348,415</b> |
| <i>Deduct</i>                |   |                    |                |                |
| B                            | Appropriations-in-aid   | 18,348             | 17,768         | 18,266         |
| <b>Net expenditure</b>       |   | <b>317,815</b>     | <b>316,805</b> | <b>330,149</b> |

#### Surplus for surrender

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

|                           | 2012      | 2011      |
|---------------------------|-----------|-----------|
|                           | €         | €         |
| Surplus to be surrendered | 1,009,846 | 1,062,388 |

#### Analysis of administration expenditure

|     |   | 2012               |                | 2011           |
|-----|---|--------------------|----------------|----------------|
|     |   | Estimate provision | Outturn        | Outturn        |
|     |   | €000               | €000           | €000           |
| i   | Salaries, wages and allowances                              | 239,705            | 237,807        | 242,728        |
| ii  | Travel and subsistence                                      | 2,016              | 2,005          | 2,163          |
| iii | Training and development and incidental expenses            | 7,650              | 3,641          | 3,962          |
| iv  | Postal and telecommunications services                      | 3,000              | 2,752          | 2,814          |
| v   | Office equipment and external IT services                   | 4,980              | 5,234          | 4,368          |
| vi  | Consultancy services and value for money and policy reviews | 140                | —              | 60             |
|     |   | <b>257,491</b>     | <b>251,439</b> | <b>256,095</b> |

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2012

|  | 2012           | 2011           |
|--|----------------|----------------|
|  | €000           | €000           |
| Programme cost                             | 83,134         | 92,320         |
| Pay  | 237,807        | 242,728        |
| Non pay                                    | 13,632         | 13,367         |
| <b>Gross expenditure</b>                   | <b>334,573</b> | <b>348,415</b> |
| <i>Deduct</i>                              |                |                |
| <b>Appropriations-in-aid</b>               | <b>17,768</b>  | <b>18,266</b>  |
| <b>Net expenditure</b>                     | <b>316,805</b> | <b>330,149</b> |
| <b>Changes in capital assets</b>           |                |                |
| Purchases cash                             | (3,977)        |                |
| Depreciation                               | 3,921          |                |
| Disposals cash                             | 13             |                |
| Profit on disposals                        | (12)           | (389)          |
| <b>Changes in assets under development</b> |                |                |
| Cash payments                              | (21,422)       | (32,165)       |
| <b>Changes in net current assets</b>       |                |                |
| Decrease in closing accruals               | (2,538)        |                |
| Decrease in stock                          | 118            |                |
|  | (2,420)        | 4,912          |
| <b>Direct expenditure</b>                  | <b>292,908</b> | <b>302,507</b> |
| <b>Expenditure borne elsewhere</b>         |                |                |
| Net allied services expenditure (note 1.1) | 39,560         | 41,193         |
| <b>Net programme cost</b>                  | <b>332,468</b> | <b>343,700</b> |

#### 1.1 Net Allied Services Expenditure

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

|   | 2012          | 2011          |
|---|---------------|---------------|
|   | €000          | €000          |
| Vote 12 Superannuation and Retired Allowances                   | 38,003        | 39,740        |
| Vote 13 Office of Public Works                                  | 224           | 94            |
| Vote 24 Justice and Equality - Financial Shared Services Centre | 1,333         | 1,359         |
|   | <b>39,560</b> | <b>41,193</b> |

## 2 Balance Sheet as at 31 December 2012

|   | Note | 2012<br>€000   | 2011<br>€000   |
|---|------|----------------|----------------|
| <b>Capital assets</b>                   | 2.3  | 822,329        | 773,068        |
| <b>Capital assets under development</b> | 2.4  | 2,655          | 30,439         |
|   |      | <b>824,984</b> | <b>803,507</b> |
| <b>Current assets</b>                   |      |                |                |
| Bank and cash                           | 2.5  | 7,231          | 9,616          |
| Stocks                                  | 2.6  | 1,203          | 1,321          |
| Prepayments                             |      | 108            | 367            |
| Accrued income                          |      | 111            | 130            |
| Other debit balances                    | 2.7  | 1,006          | 1,490          |
| Net liability from the Exchequer        | 2.9  | 61             | (62)           |
| <b>Total current assets</b>             |      | <b>9,720</b>   | <b>12,862</b>  |
| <b>Less current liabilities</b>         |      |                |                |
| Accrued expenses                        |      | 4,960          | 7,776          |
| Other credit balances                   | 2.8  | 8,298          | 11,044         |
| <b>Total current liabilities</b>        |      | <b>13,258</b>  | <b>18,820</b>  |
| <b>Net current liabilities</b>          |      | <b>(3,538)</b> | <b>(5,958)</b> |
| <b>Net assets</b>                       |      | <b>821,446</b> | <b>797,549</b> |
| <b>Represented by:</b>                  |      |                |                |
| <b>State funding account</b>            | 2.1  | <b>821,446</b> | <b>797,549</b> |

| 2.1 State Funding Account     | Note | 2012<br>€000   | 2011<br>€000   |
|-------------------------------|------|----------------|----------------|
| Balance at 1 January          |      | 797,549        | 769,907        |
| Funding drawn down            | 2.2  | 356,365        | 371,342        |
| Net programme cost            | 1    | (332,468)      | (343,700)      |
| <b>Balance at 31 December</b> |      | <b>821,446</b> | <b>797,549</b> |

| 2.2 Funding drawn down             | Note    | 2012<br>€000   | 2011<br>€000   |
|------------------------------------|---------|----------------|----------------|
| Disbursements from the Vote        |         |                |                |
| Estimate provision                 | Account | 317,815        | 331,211        |
| Surplus to be surrendered          | Account | (1,010)        | (1,062)        |
|                                    |         | 316,805        | 330,149        |
| Expenditure (cash) borne elsewhere | 1.1     | 39,560         | 41,193         |
| <b>Total funding drawn down</b>    |         | <b>356,365</b> | <b>371,342</b> |



**2.3 Capital Assets**

|   | Land and<br>buildings<br>€000 | Office<br>equipment<br>€000 | Furniture<br>and fittings<br>€000 | Motor<br>vehicles<br>€000 | Total<br>€000  |
|---|-------------------------------|-----------------------------|-----------------------------------|---------------------------|----------------|
| <b>Gross assets</b>                         |                               |                             |                                   |                           |                |
| Cost or valuation at 1 January 2012         | 763,631                       | 68,372                      | 775                               | 8,717                     | 841,495        |
| Additions                                   | 51,362                        | 1,518                       | 66                                | 237                       | 53,183         |
| Disposals                                   | —                             | (442)                       | (11)                              | (508)                     | (961)          |
| Cost or valuation at 31 December 2012       | 814,993                       | 69,448                      | 830                               | 8,446                     | 893,717        |
| <b>Accumulated depreciation</b>             |                               |                             |                                   |                           |                |
| Opening balance at 1 January 2012           | —                             | 61,331                      | 607                               | 6,489                     | 68,427         |
| Depreciation for the year                   | —                             | 2,939                       | 32                                | 950                       | 3,921          |
| Depreciation on disposals                   | —                             | (441)                       | (11)                              | (508)                     | (960)          |
| Cumulative depreciation at 31 December 2012 | —                             | 63,829                      | 628                               | 6,931                     | 71,388         |
| <b>Net assets at 31 December 2012</b>       | <b>814,993</b>                | <b>5,619</b>                | <b>202</b>                        | <b>1,515</b>              | <b>822,329</b> |
| <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> |

**2.4 Capital Assets under Development**

| at 31 December                       | Construction Contracts |              |
|--------------------------------------|------------------------|--------------|
|                                      | 2012<br>€000           | 2011<br>€000 |
| Amounts brought forward at 1 January | 30,439                 | 15,690       |
| Cash payments for the year           | 21,422                 | 32,165       |
| Transferred to asset register        | (49,206)               | (17,416)     |
| Balance at 31 December               | 2,655                  | 30,439       |

**2.5 Bank and Cash**

| at 31 December        | 2012<br>€000 | 2011<br>€000 |
|-----------------------|--------------|--------------|
| PMG balances and cash | 7,399        | 10,265       |
| Orders outstanding    | (168)        | (649)        |
|                       | 7,231        | 9,616        |

**2.6 Stocks**

| at 31 December                     | 2012<br>€000 | 2011<br>€000 |
|------------------------------------|--------------|--------------|
| Uniforms and clothing              | 1,044        | 1,058        |
| Furniture and maintenance material | 58           | 141          |
| Food                               | —            | 17           |
| Miscellaneous                      | 101          | 105          |
|                                    | 1,203        | 1,321        |

|                                 |             |             |
|---------------------------------|-------------|-------------|
| <b>2.7 Other Debit Balances</b> | <b>2012</b> | <b>2011</b> |
| at 31 December                  | <b>€000</b> | <b>€000</b> |

|                            |              |              |
|----------------------------|--------------|--------------|
| Imprests                   | 728          | 728          |
| Other debit suspense items | 278          | 762          |
|                            | <u>1,006</u> | <u>1,490</u> |

|                                  |             |             |
|----------------------------------|-------------|-------------|
| <b>2.8 Other Credit Balances</b> | <b>2012</b> | <b>2011</b> |
| at 31 December                   | <b>€000</b> | <b>€000</b> |

|  |              |               |
|--|--------------|---------------|
| Amounts due to the State                       |              |               |
| Income Tax                                     | 3,979        | 5,682         |
| Pay Related Social Insurance                   | 1,608        | 2,276         |
| Retention Tax                                  | 188          | 168           |
| Value Added Tax                                | 581          | 1,077         |
| Construction Tax                               | 3            | 1             |
| Tax deducted from pension contribution refunds | 1            | 8             |
| Staff pension contributions                    | —            | 865           |
|  | <u>6,360</u> | <u>10,077</u> |
| Payroll deductions held in suspense            | 1,937        | 851           |
| Other credit suspense items                    | 1            | 116           |
|  | <u>8,298</u> | <u>11,044</u> |

|   |             |             |
|---|-------------|-------------|
| <b>2.9 Net Liability from the Exchequer</b> | <b>2012</b> | <b>2011</b> |
| at 31 December                              | <b>€000</b> | <b>€000</b> |

|                                  |             |           |
|----------------------------------|-------------|-----------|
| Surplus to be surrendered        | 1,010       | 1,062     |
| Exchequer grant undrawn          | (1,071)     | (1,000)   |
| Net liability from the Exchequer | <u>(61)</u> | <u>62</u> |

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

|                          |              |               |
|--------------------------|--------------|---------------|
| Bank and cash            | 7,231        | 9,616         |
| Debit balances: suspense | 1,006        | 1,490         |
|                          | <u>8,237</u> | <u>11,106</u> |

**Creditors**

|                           |                |                 |
|---------------------------|----------------|-----------------|
| Due to State              | (6,360)        | (10,077)        |
| Credit balances: suspense | (1,938)        | (967)           |
|                           | <u>(8,298)</u> | <u>(11,044)</u> |

|  |             |           |
|--|-------------|-----------|
|  | <u>(61)</u> | <u>62</u> |
|--|-------------|-----------|

| <b>2.10 Commitments</b>                  | <b>2012</b> | <b>2011</b> |
|--|-------------|-------------|
| at 31 December                           | €000        | €000        |
| Total of legally enforceable commitments | 4,807       | 795         |

### **2.11 Matured Liabilities**

The estimate of matured liabilities not discharged at year end amounted to €6,231 (2011 – Nil).

### 3 Programme Expenditure by Subhead

|          |   | 2012               |                | 2011           |
|----------|---|--------------------|----------------|----------------|
|          |   | Estimate provision | Outturn        | Outturn        |
|          |   | €000               | €000           | €000           |
| <b>A</b> | <b>Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison.</b> |                    |                |                |
| A.1      | Administration – pay  | 239,705            | 237,807        | 242,728        |
| A.2      | Administration - non pay  | 17,786             | 13,632         | 13,367         |
| A.3      | Buildings and equipment   | 33,752             | 35,371         | 47,181         |
| A.4      | Prison services, etc.   | 39,016             | 42,504         | 40,086         |
| A.5      | Manufacturing department and farm   | 629                | 697            | 715            |
| A.6      | Probation service - services to offenders   | —                  | —              | —              |
| A.7      | Educational services  | 1,265              | 1,234          | 1,240          |
| A.8      | Prison Officers' Medical Aid Society (grant-in-aid)   | —                  | —              | —              |
| A.9      | Compensation  | 3,260              | 3,270          | 2,869          |
| A.10     | Social disadvantage measures (Dormant Accounts fund)  | 750                | 58             | 229            |
|          |   | <b>336,163</b>     | <b>334,573</b> | <b>348,415</b> |

#### Significant variations

Overall, the gross expenditure in relation to the Programme was €1,590,000 lower than provided. The significant variations were as follows:

| Description  | Less/ (more) than provided<br>€000 | Explanation   |
|--|------------------------------------|---|
| Prison services, etc.                                | (3,488)                            | The additional requirement is in respect of the increased prison running costs, including utilities such as heating, electricity and water charges and waste disposal costs: the cost of prisoner meals, prisoner healthcare costs, prisons cleaning and laundry services. €2.3 million of the additional requirement relates directly to prisoner health care costs, which is mainly attributable to increased agency costs because of the delay in the recruitment of medical personnel due to the moratorium on recruitment. Other external factors such as international gas prices and exchange rates impact directly on the additional cost of utilities (€0.7million). |
| Social disadvantage measures (Dormant Accounts fund) | 692                                | Disbursements under the Dormant Accounts Fund are administered by Pobal. The timing of expenditure is difficult to anticipate as it is dependent on the rate of progress in funded projects.  |

## 4 Receipts

| 4.1 Appropriations-in-aid  | 2012          |               | 2011          |
|--|---------------|---------------|---------------|
|  | Estimated     | Realised      | Realised      |
|  | €000          | €000          | €000          |
| 1. Receipts from manufacturing department and farm (including produce used in prisons) | 905           | 1,093         | 1,028         |
| 2. European Social Fund  | 5             | —             | —             |
| 3. Proceeds from the sale of prison property   | —             | —             | —             |
| 4. Miscellaneous   | 519           | 381           | 405           |
| 5. Dormant account receipts  | 750           | 58            | 229           |
| 6. Receipts from pension - related deduction on public service remuneration            | 16,169        | 16,236        | 16,604        |
| <b>Total</b>   | <b>18,348</b> | <b>17,768</b> | <b>18,266</b> |

### Explanation of significant variations

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%

| Description   | Less/(more)<br>than provided<br>€000 | Explanation   |
|---|--------------------------------------|---|
| Receipts from manufacturing department and farm (including produce used in prisons) | (188)                                | Receipts from prison manufacturing activities are difficult to quantify in advance.   |
| Miscellaneous   | 138                                  | By its nature, it is difficult to predict what level of receipts will be received under this category.  |
| Dormant account receipts  | 692                                  | Receipts from the Dormant Accounts Fund are linked to expenditure under Subhead A.10 . Because projects did not proceed as planned, higher receipts could not be drawn. |

## 5 Employee Numbers and Pay

|  | <b>2012</b>    | <b>2011</b>    |
|--|----------------|----------------|
| <b>Number of staff at year end</b> (full time equivalents) | 3,433          | 3,489          |
|  | <b>2012</b>    | <b>2011</b>    |
|  | <b>€000</b>    | <b>€000</b>    |
| Pay  | 139,644        | 142,364        |
| Higher, special or additional duties allowance             | 722            | 653            |
| Other allowances   | 48,822         | 49,680         |
| Extra attendance and overtime                              | 33,436         | 35,415         |
| Employer's PRSI  | 15,183         | 14,616         |
| <b>Total Pay</b>   | <b>237,807</b> | <b>242,728</b> |

### 5.1 Allowances and Overtime Payments

|                                      | <b>Number<br/>of<br/>recipients</b> | <b>Recipients<br/>of €10,000<br/>or more</b> | <b>Maximum<br/>individual<br/>payment<br/>2012<br/>€</b> | <b>Maximum<br/>individual<br/>payment<br/>2011<br/>€</b> |
|--------------------------------------|-------------------------------------|--|--|--|
| Higher, special or additional duties | 163                                 | 14   | 16,229   | 12,565   |
| Extra attendance and overtime        | 3,267                               | 1,815  | 26,230   | 29,870   |
| Shift and roster allowances          | 3,039                               | 500  | 17,329   | 26,205   |
| Miscellaneous                        | 3,395                               | 457  | 15,915   | 17,279   |

Certain individuals received extra remuneration in more than one category.

### 5.2 Other Remuneration Arrangements

A total of €16,465 was paid to 13 retired civil servants in receipt of civil service pensions, ranging from €151 to €5,776, who were re-employed on various duties during 2012. A total of €5,400 was paid to 9 retired members of An Garda Síochána, who were re-employed on specific duties during 2012.

## 6 Miscellaneous

### 6.1 Prison Population

The estimated daily average number of prisoners in 2012 was 4,320 (4,390 in 2011).

### 6.2 Compensation and Legal Costs

|   | 2012         | 2011         |
|---|--------------|--------------|
|   | €000         | €000         |
| Legal costs paid during the year are as follows |              |              |
| Legal fees                                      | —            | —            |
| Compensation costs                              | 3,267        | 2,862        |
|   | <u>3,267</u> | <u>2,862</u> |

The account includes expenditure in relation to compensation and legal costs made to prisoners, staff and members of the public. The table below shows a breakdown of these costs.

|   |                 |                      |                     | 2012         | 2011         |
|---|-----------------|----------------------|---------------------|--------------|--------------|
|   | Number of cases | Compensation awarded | Legal costs awarded | Total        | Total        |
|   |                 | €000                 | €000                | €000         | €000         |
| <b>Claims by prison staff</b>   |                 |                      |                     |              |              |
| Civil claims by prison staff for injuries received while on duty and other issues involving prison staff    | 145             | 275                  | 501                 | 776          | 818          |
| Claims through the Criminal Injuries Compensation Tribunal arising out of injuries received by prison staff | 74              | 1,687                | —                   | 1,687        | 999          |
| <b>Claims by prisoners</b>  |                 |                      |                     |              |              |
| Claims taken by prisoners arising out of injuries and other actions involving prisoners                     | 253             | 271                  | 452                 | 723          | 818          |
| <b>Claims by members of the public</b>  |                 |                      |                     |              |              |
| Claims taken by civilians   | 31              | 32                   | 49                  | 81           | 227          |
|   |                 | <u>2,265</u>         | <u>1,002</u>        | <u>3,267</u> | <u>2,862</u> |

At 31 December 2012, the State Claims Agency recorded 565 claims as outstanding. There were also seven cases outstanding, where awards were made and accepted, in relation to the Criminal Injuries Compensation Tribunal.

### 6.3 Prisoner Funeral Expenses

Ex gratia payments totalling €3,700 were made towards the funeral expenses of two 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.

**6.5 Settlement with Revenue Commissioners**

A payment totalling €353,678 in respect of a legacy liability covering taxes applicable to plain clothes allowances and expense payments for temporary transfers made to prison service staff was made to the Revenue Commissioners in 2012. The payment included interest of €42,670 and penalties of €14,498.

**6.6 Write-offs**

As part of a reconciliation of suspense accounts, a number of legacy balances amounting to €105,094 were written off as unrecoverable in 2012. Two of the balances exceeded €10,000 and in total amounted to €21,640. Both cases related to Income Tax and PRSI transactions with the Revenue Commissioners and the Department of Social Protection respectively, which could not be recovered due to the time period which elapsed since they arose.



## Appendix

### Abstract Statement of the Manufacturing Accounts of the Prisons for the year ended 31 December 2012

|  | Agriculture | Other        | Total 31     | Total 31     |
|--|-------------|--------------|--------------|--------------|
|  | €000        | industries   | December     | December     |
|  | €000        | €000         | 2012         | 2011         |
|  | €000        | €000         | €000         | €000         |
| Stock on hand at 1 January 2012                | 7           | 258          | 265          | 245          |
| Purchases                                      | 70          | 634          | 704          | 726          |
| Profit   | 2           | 434          | 436          | 318          |
|  | <u>79</u>   | <u>1,326</u> | <u>1,405</u> | <u>1,289</u> |
| Sales  | 72          | 1,020        | 1,092        | 1,024        |
| Stock on hand at 31 December 2012 <sup>1</sup> | 7           | 306          | 313          | 265          |
|  | <u>79</u>   | <u>1,326</u> | <u>1,405</u> | <u>1,289</u> |

<sup>1</sup> The stock on hand at 31 December 2012 comprises materials and manufactured goods totalling €165,984 and tools and manufacturing equipment totalling €147,534.

#### Reconciliation with Appropriation Account

|  | 2012         | 2011         |
|--|--------------|--------------|
|  | €000         | €000         |
| Amount due in respect of purchases as at 1 January               | 12           | 1            |
| Purchases during year ended 31 December                          | 704          | 726          |
|  | <u>716</u>   | <u>727</u>   |
| Amount due in respect of purchases as at 31 December             | (19)         | (12)         |
| Expenditure from subhead A.5 as per Appropriation Account        | <u>697</u>   | <u>715</u>   |
|  | <b>2012</b>  | <b>2011</b>  |
|  | <b>€000</b>  | <b>€000</b>  |
| Amount due in respect of sales as at 1 January                   | 4            | 8            |
| Sales during year ended 31 December                              | 1,092        | 1,024        |
|  | <u>1,096</u> | <u>1,032</u> |
| Amount due in respect of sales as at 31 December                 | (3)          | (4)          |
| Receipts under subhead Note 4.1 (1) as per Appropriation Account | <u>1,093</u> | <u>1,028</u> |

**Brian Purcell**  
Accounting Officer  
Department of Justice and Equality  
28 March 2013