

Appropriation Account 2018

Vote 21

Prisons

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 2018 for the salaries and expenses of the Irish Prison Service, and other expenses in connection with prisons, including places of detention and for payment of certain grants.

The expenditure outturn is compared with the sums:

- a) granted by Dáil Éireann under the Appropriation Act 2018, including the amount that could be used as appropriations-in-aid of expenditure for the year
- b) provided for capital supply services in 2018 out of unspent 2017 appropriations, under the deferred surrender arrangement established by section 91 of the Finance Act 2004.

A surplus of €1.115 million is liable for surrender to the Exchequer.

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 13^a prisons and places of detention, as well as property at the Irish Prison Service College in Portlaoise and property adjacent to the Headquarters building in Longford, and three sites in Dublin: one adjacent to Cloverhill Prison and others in Kilmainham and Thornton.

Land was valued at existing use value or market value (if not in use) by the Valuation Office during 2014. Land at Thornton continues to be valued at historic cost, including investment in infrastructure and services, on the basis that it is a strategic State asset with potential future use value. Its availability has been identified to the Department of Housing, Planning and Local Government and the Land Development Agency. This position will be kept under review on an annual basis.

The basis for valuing prison buildings – average replacement cost per cell – remains unchanged.

Prisons land and buildings will be revalued every 5 years – the next planned revaluation is 2019. 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.

Consumables

Supplies for prisoner meals, cleaning, maintenance and workshops are treated as expensed items and are not counted in stocks.

^a There are 12 prisons and places of detention operational at present. The Training Unit in the Mountjoy complex does not hold prisoners currently.

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.

Shared services

The National Shared Services Office provides payroll processing services to the Irish Prison Service.

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

Financial control environment

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

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an audit committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Irish 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.

Non-compliance with procurement rules

The Irish Prison Service 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. 54 contracts with a value of €11,775,894 (excluding VAT) have been included in the circular 40/02 return as they exceed the reporting threshold of €25,000 and were awarded (inter alia) without a competitive process, as follows

- (a) Fourteen contracts with a value of €1,670,966 are considered non-competitive and non-compliant. These contracts were extended beyond the original contract date without a new competitive process having been completed by the year end date.
- (b) Payments to three suppliers to a total value of €135,210 are considered non-competitive and non-compliant, as whilst local arrangements/tenders were entered in to which complied with tendering rules at local level, the cumulative effect rendered the total amount paid to the suppliers to be contrary to national procurement guidelines.
- (c) Sixteen contracts with a value of €6,667,607 are considered non-competitive and non-compliant, as these situations have arisen while the finalisation of centralised tender arrangements with the Office of Government Procurement and Office of the Government Chief Information Officer are awaited.
- (d) Four contracts with a total value of €516,735 are considered non-competitive but compliant as they were procured as a result of urgent need.
- (e) Seventeen contracts with a total value of €2,785,376 are considered non-competitive but compliant as they are proprietary purchases.

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 Irish Prison Service and 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.

Risk and control framework

The Irish Prison Service has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the greatest extent possible, to mitigate those risks.

A risk register is in place for each Prison, Directorate and for the Irish Prison Service at a corporate level which identify the key risks at prison, directorate and organisation level and these have been identified, evaluated and graded according to their significance. The Corporate Risk Register is reviewed and updated by the Irish Prison Service Risk Management Committee (Executive Management Team) on a quarterly basis and quarterly reviews also take place at prison/directorate 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 Risk Management Committee, 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

The Irish Prison Service'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 Irish Prison Service responsible for the development and maintenance of the internal financial control framework. A Chief Risk Officer post has been identified and is expected to be filled during 2019.

A review of certain administrative processes is ongoing in the Irish Prison Service.

Internal financial control issues

Arising from recent audit reports, the Irish Prison Service has implemented a review of financial, administrative and operating procedures to ensure that they are in line with good practice. The review was carried out by a business review team appointed by the Irish Prison Service in conjunction with the Department of Justice and Equality. The review is a quality improvement programme, with the objective of strengthening the administrative, operational and accounting practices within the Irish Prison Service. The initial stages of the review prioritised administration processes in prisons including sentence calculation, cash management, imprest and Prisoner Assist Programme fund accounts with over forty new standard operating practices (SOPs) implemented, covering approximately 80 administrative activities. The administration staff training syllabus was redeveloped to support implementation of the SOPs.

The next stage of the review will focus primarily on testing the compliance levels for the standard operating practices which have been implemented. Further review and process work will be carried out in areas including the recording, monitoring and control of fixed assets, operation of prison 'tuck shops' and to provide advice to support the operation of the independent Voluntary Mess Committees in the operation of canteen facilities for prison staff provided through prisoner training kitchens.

Aidan O'Driscoll
Accounting Officer
Prisons

29 March 2019

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 21 Prisons

Opinion on the appropriation account

I have audited the appropriation account for Vote 21 Prisons for the year ended 31 December 2018 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 21 Prisons for the year ended 31 December 2018
- 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 Irish Prison Service and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the *Preface to the Appropriation Accounts*.

Non - compliance with procurement rules

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with national procurement rules occurred in respect of contracts that operated in 2018.

Seamus McCarthy
Comptroller and Auditor General

24 September 2019

Vote 21 Prisons

Appropriation Account 2018

		2018		2017
		Estimate	provision	Outturn
		€000	€000	€000
Programme expenditure				
A	Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison			
	<i>Original</i>	341,171		
	<i>Deferred surrender</i>	2,233		
	<i>Supplementary</i>	11,521		
			354,925	353,923
	Gross expenditure		354,925	326,892
	<i>Deduct</i>			
B	Appropriations-in-aid			
	<i>Original</i>	12,976		
	<i>Supplementary</i>	1,521		
			14,497	14,610
	Net expenditure		14,497	13,056
	<i>Original</i>	328,195		
	<i>Deferred surrender</i>	2,233		
	<i>Supplementary</i>	10,000		
			340,428	339,313
			340,428	313,836

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 spending in the following year.

	2018	2017
	€	€
Surplus	1,114,810	3,786,856
Deferred surrender	—	(2,233,000)
Surplus to be surrendered	1,114,810	1,553,856

Aidan O'Driscoll
Accounting Officer
Prisons

29 March 2019

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2018

	<u>2018</u>	<u>2017</u>
	<u>€000</u>	<u>€000</u>
Programme cost	88,953	79,656
Pay	250,065	232,551
Non pay	14,905	14,685
Gross expenditure	353,923	326,892
<i>Deduct</i>		
Appropriations-in-aid	14,610	13,056
Net expenditure	339,313	313,836
Changes in capital assets		
Purchases cash	(26,625)	
Depreciation	2,629	
Disposals cash	36	
Gain on disposals	(36)	(22,260)
Changes in net current assets		
Decrease in closing accruals	(31)	
Decrease in stock	177	2,526
Direct expenditure	315,463	294,102
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	66,604	54,031
Net programme cost	382,067	348,133

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.

	<u>2018</u>	<u>2017</u>
	<u>€000</u>	<u>€000</u>
Vote 9 Office of the Revenue Commissioners	270	270
Vote 12 Superannuation and Retired Allowances	65,262	52,580
Vote 13 Office of Public Works	145	153
Vote 18 National Shared Services Office	304	472
Vote 24 Justice and Equality - Financial Shared Services Centre	623	556
	66,604	54,031

Note 2 Statement of Financial Position as at 31 December 2018

	Note	2018 €000	2017 €000
Capital assets	2.2	972,730	948,734
Current assets			
Bank and cash	2.3	8,325	10,607
Stocks	2.4	1,608	1,785
Prepayments		837	1,027
Accrued income		70	170
Other debit balances	2.5	450	544
Total current assets		11,290	14,133
Less current liabilities			
Accrued expenses		6,237	6,558
Other credit balances	2.6	8,735	8,835
Net Exchequer funding due	2.7	40	2,316
Total current liabilities		15,012	17,709
Net current liabilities		(3,722)	(3,576)
Net assets		969,008	945,158
Represented by:			
State funding account	2.1	969,008	945,158

2.1 State funding account

	Note	2018 €000	2017 €000
Balance at 1 January		945,158	925,107
Disbursements from the Vote			
Estimate provision	Account	340,428	
Surplus to be surrendered	Account	(1,115)	
Net vote		339,313	313,836
Expenditure (cash) borne elsewhere	1	66,604	54,031
Non cash expenditure – revaluation		—	317
Net programme cost	1	(382,067)	(348,133)
Balance at 31 December		969,008	945,158

2.2 Capital assets

	Land and buildings	Office equipment	Furniture and fittings	Motor vehicles	Capital assets under development	Total
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2018	927,506	71,072	843	11,533	12,598	1,023,552
Additions	115	1,771	13	1,437	23,289	26,625
Brought into use	31,466	—	—	—	(31,466)	—
Disposals	—	(1,129)	(108)	(379)	—	(1,616)
Cost or valuation at 31 December 2018	959,087	71,714	748	12,591	4,421	1,048,561
Accumulated depreciation						
Opening balance at 1 January 2018	—	66,071	749	7,998	—	74,818
Depreciation for the year	—	1,684	21	924	—	2,629
Depreciation on disposals	—	(1,129)	(108)	(379)	—	(1,616)
Cumulative depreciation at 31 December 2018	—	66,626	662	8,543	—	75,831
Net assets at 31 December 2018	959,087	5,088	86	4,048	4,421	972,730
Net assets at 31 December 2017	927,506	5,001	94	3,535	12,598	948,734

2.3 Bank and cash

at 31 December	2018	2017
	€000	€000
PMG balances	7,853	10,469
Vote related bank account balances	472	138
	8,325	10,607

Non Vote bank accounts

The Irish Prison Service holds 23 commercial bank accounts. Moneys in these accounts are managed by the Irish Prison Service separately to the voted funds and relate to prison shops, a Prisoner Assist Fund and an account for prisoner cash. With the exception of gratuity payments to individual prisoners, which originate from the vote, no moneys due to or paid from the vote are transmitted through these bank accounts. The amount held at the end of 2018 is €2,341,091 and is not included in the account (2017: €2,076,847). Note 6.5 also refers.

2.4 Stocks

at 31 December	2018	2017
	€000	€000
Uniforms and clothing	1,588	1,729
Miscellaneous	20	56
	<u>1,608</u>	<u>1,785</u>

2.5 Other debit balances

at 31 December	2018	2017
	€000	€000
Prison imprest accounts	266	373 ^a
Other debit suspense items	184	171
	<u>450</u>	<u>544</u>

Note ^a In the 2017 account this amount reflected the balances held in vote related bank accounts which are now included in Note 2.6. This figure has been restated for comparative purposes.

2.6 Other credit balances

at 31 December	2018	2017
	€000	€000
Amounts due to the State		
Income Tax	4,599	4,185
Pay Related Social Insurance	2,167	1,957
Retention Tax	179	72
Value Added Tax	679	1,826
	<u>7,624</u>	<u>8,040</u>
Vote related bank account balances	472	138
Payroll deductions held in suspense	632	642
Other credit suspense items	7	15
	<u>8,735</u>	<u>8,835</u>

2.7 Net Exchequer funding due

at 31 December	2018	2017
	€000	€000
Surplus to be surrendered	1,115	1,554
Deferred surrender	—	2,233
Exchequer grant undrawn	(1,075)	(1,471)
Net Exchequer funding due	40	2,316
Represented by:		
Debtors		
Bank and cash	8,325	10,607
Debit balances: suspense	450	544
	8,775	11,151
Creditors		
Due to State	(7,624)	(8,040)
Vote related bank account balances	(472)	(138)
Credit balances: suspense	(639)	(657)
	(8,735)	(8,835)
	40	2,316

2.8 Commitments

at 31 December	2018	2017
	€000	€000
Capital projects	1,079	11,930
Total of legally enforceable commitments	1,079	11,930

2.9 Matured liabilities

Matured liabilities at year end amounted to €2,778 (2017: Nil).

2.10 Contingent liabilities

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

Vote 3 Vote Expenditure

Analysis of administration expenditure

		2018		2017
		Estimate provision		Outturn
		€000	€000	€000
I	Salaries, wages and allowances			
	Original	249,283		
	Supplementary	1,997		
			251,280	250,065
232,551				
ii	Travel and subsistence			
	Original	1,816		
	Supplementary	548		
			2,364	2,328
2,156				
iii	Training and development and incidental expenses			
	Original	3,860		
	Supplementary	1,110		
			4,970	3,562
3,582				
iv	Postal and telecommunications services			
	Original	1,800		
	Supplementary	112		
			1,912	1,653
1,933				
v	Office equipment and external IT services			
	Original	5,580		
	Supplementary	937		
			6,517	7,362
7,013				
vi	Consultancy services and value for money and policy reviews			
	Original	100		
	Supplementary	(96)	4	—
1				
			267,047	264,970
				247,236

Significant variations

The following notes outline the reason for significant variations (+/- 25% and €100,000) in the administration expenditure of the Vote.

ii. Travel and subsistence

Estimate provision: €1.816 million, outturn: €2.328 million

The excess of €512,000 compared with original allocation of €1.816 million is reflected in the supplementary estimate of €548,000 in the subhead. The reason for the increased outturn is mainly due to two factors - the recruitment of additional prison staff which has given rise to an increased demand for travel and subsistence to attend training and an increase in prisoner numbers, particularly remand prisoners, giving rise to additional prisoner escorts.

iii. Training and development and incidental expenses

Estimate provision: €3.86 million, outturn: €3.562 million

A saving of €298,000 arose on the original estimate of €3.86 million. In addition the supplementary estimate of €1.11 million remained unspent. This was due mainly to anticipated expenditure not materialising as uniform stock purchases were significantly less than expected. Also, there was underspend on training costs, mainly due to the phasing of recruitment being later than expected.

v. Office equipment and external IT services

Estimate provision: €5.58 million, outturn: €7.362 million

The excess of €1.782 million compared with the original allocation of €5.580 million is reflected in the supplementary estimate of €937,000. The reason for the additional expenditure is mainly related to expenditure of approximately €1 million on additional storage requirements for CCTV purposes in the year. This expenditure was needed to manage the increased demand for the retention of CCTV footage and to future-proof capacity. There were also additional costs in respect of software licences and support contracts.

Programme A Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison

		Estimate provision		2018	2017
		€000	€000	Outturn	Outturn
				€000	€000
A.1	Administration – pay				
	<i>Original</i>	249,283			
	<i>Supplementary</i>	1,997			
			251,280	250,065	232,551
A.2	Administration – non pay				
	<i>Original</i>	13,156			
	<i>Supplementary</i>	2,611			
			15,767	14,905	14,685
A.3	Buildings and equipment				
	<i>Original</i>	41,088			
	<i>Deferred surrender</i>	2,233			
	<i>Supplementary</i>	2,628			
			45,949	46,204	39,828
A.4	Prisoner services				
	<i>Original</i>	27,906			
	<i>Supplementary</i>	1,126			
			29,032	29,973	27,913
A.5	Operational services				
	<i>Original</i>	5,400			
	<i>Supplementary</i>	1,232			
			6,632	6,789	6,482
A.6	Educational services				
	<i>Original</i>	1,265			
	<i>Supplementary</i>	(512)			
			753	1,227	1,083
A.7	Compensation				
	<i>Original</i>	2,873			
	<i>Supplementary</i>	2,439			
			5,312	4,560	4,150
A.8	Social disadvantage measures (Dormant accounts funded)		200	200	200
			354,925	353,923	326,892

Significant variations

Overall, the expenditure in relation to Programme A was €1 million lower than the final estimate. The original estimate of €343.4 million was increased by €11.5 million through the supplementary estimate. There was an underspend of €2.1 million in relation to administration expenditure (see above) and the variation in the remaining subheads is mainly due to the following.

A.3 *Buildings and equipment*

Estimate provision: €43.321 million, outturn: €46.204 million

There was excess expenditure of €2.883 million compared with the original allocation of €41.088 million plus deferred surrender of €2.233 million. The introduction of a programme of planned preventative maintenance for plant and equipment increased the number and frequency of service checks at an estimated cost of approximately €1 million. In addition, there were several one-off events which have resulted in increased maintenance expenditure, such as severe weather conditions (approximately €200,000), remedial works required to prevent attempted prisoner escapes (approximately €100,000), significant damage to the Mountjoy circular roof (approximately €500,000) and works required to be undertaken on control room systems (approximately €500,000).

A.4 *Prisoner services*

Estimate provision: €27.906 million, outturn: €29.973 million

There was excess expenditure of €2.067 million compared with the original allocation of €27.906 million. This mainly related to the increase in prisoner numbers over the year - up over 200 based on the annual average number of prisoners (3,680 in 2017 and 3,893 in 2018). This impacts on expenditure in areas such as food, gratuity payments and medical services.

A.5 *Operational services*

Estimate provision: €5.4 million, outturn: €6.789 million

There was excess expenditure of €1.389 million compared with the original allocation of €5.4 million. The additional expenditure in this subhead is mainly due to a replacement programme undertaken in 2018 for security equipment such as batons and handcuffs throughout the prison estate on foot of a recommendation by the State Claims Agency. In addition, more new vehicles were purchased than originally anticipated during the second year of a three year replacement programme for the transport fleet.

A.7 *Compensation*

Estimate provision: €2.873 million, outturn: €4.56 million

There was excess expenditure of €1.687 million compared with the original allocation of €2.873 million. This was largely due to the payment of legal costs related to a specific case before the courts.

Note 4 Receipts

4.1 Appropriations-in-aid

	Estimate provision		2018	2017
			Realised	Realised
	€000	€000	€000	€000
1 Miscellaneous				
	<i>Original</i>	305		
	<i>Supplementary</i>	298		
			603	436
2 Dormant account receipts			200	200
3 Receipts from pension– related deductions on public service remuneration				
	<i>Original</i>	12,471		
	<i>Supplementary</i>	1,223		
			13,694	13,974
Total			14,497	14,610

Significant variations

Overall, the appropriations-in-aid were €113,000 higher than the final estimate. The original estimate of €12.976 million was increased by €1.521 million through the supplementary estimate and the surplus in receipts is mainly due to the following:

1 *Miscellaneous*

Estimate provision: €305,000, outturn: €436,000

The receipts exceeded the original estimate of €305,000 as it is difficult to predict the level of receipts under this heading. The receipts level did not reach the final estimated figure of €603,000 provided for as a result of the supplementary estimate of €298,000 as the anticipated increase in receipts from work and training activities did not materialise.

3 *Receipts from pension–related deductions on public service remuneration*

Estimate provision: €12.471 million, outturn: €13.974 million

The additional receipts of €1.503 million were reflected in a supplementary estimate of €1.223 million and the surplus arose mainly due to additional payroll costs with 183 new recruit Prison Officers commencing in 2018 and the level of additional hours payments during 2018.

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

	2018	2017
Number of staff at year end	3,270	3,186

5.2 Pay

	2018 €000	2017 €000
Pay	158,888	136,736
Higher, special or additional duties allowance	395	354
Other allowances	32,607	45,101
Extra attendance and overtime	39,694	33,874
Employer's PRSI	18,481	16,486
Total pay	250,065	232,551

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2018 €	2017 €
Higher, special or additional duties	79	6	16,360	33,944
Extra attendance and overtime	3,070	2,003	52,668	38,773
Shift and roster allowances	2,885	1,377	18,594	23,716
Miscellaneous	3,039	2	11,113	15,235
Extra remuneration in more than one category	3,034	2,712	67,812	65,602

5.4 Other remuneration arrangements

A total of €99,708 was paid to 21 retired civil servants in receipt of civil service pensions who were employed on various duties. Payments ranged from €300 to €33,000. A total of €31,993 was paid to ten retired members of An Garda Síochána, who were employed by the Irish Prison Service on specific duties during 2018.

Appropriate procedures were in place with regard to payments to retired staff in accordance with section 52 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

5.5 Payroll overpayments

Salary overpayments outstanding at the year ended totalled €480,390 (184 cases) (2017: €425,504, 161 cases). Of this, €375,530 (121 cases) had recovery plans in place at 31 December 2018 including 59 preserved pension cases.

Note 6 Miscellaneous

6.1 Prison population

The estimated daily average number of prisoners in 2018 was 3,893 (2017: 3,680).

6.2 Compensation and legal costs

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.

	Number of cases	Legal costs paid by the Prison Service	Compensation awarded	Legal costs awarded	2018 Total	2017 Total
		€000	€000	€000	€000	€000
Claims by prison staff						
Civil claims received for injuries while on duty and other issues involving prison staff	102	—	1,770	348	2,118	1,510
Claims through the Criminal Injuries Compensation Tribunal arising out of injuries received by prison staff	22	—	403	—	403	742
Claims by prisoners						
Claims arising out of injuries and other actions involving prisoners	218	698	492	497	1,687	1,492
Claims by members of the public	33	—	247	99	346	395
		698	2,912	944	4,554	4,139

Note At 31 December 2018, the State Claims Agency recorded 2,130 claims as outstanding (2017: 2,250 cases). Legal costs incurred by the Irish Prison Service in relation to 17 non-compensation cases amounted to €397,458 (2017: €234,702).

6.3 Prisoner funeral expenses

Ex gratia payments totalling €5,800 were made towards the funeral expenses of four prisoners who died in prison.

6.4 Cash losses

Two cash losses totalling €300 were identified in two prisons. Sanction will be sought to write off the losses in question (2017: €1,000)

6.5 Other financial operations within the Irish Prison Service

Separate to the expenditure reflected in the appropriation account, a number of other financial operations arise within the Irish Prison Service in order to carry out its functions. The operations in question relate to a bank account for prisoner cash, prison shops and a Prisoner Assist Programme fund. The details are as follows:

- **Prisoner cash account** — a bank account is maintained specifically for prisoner's personal cash and is managed by the Prisons Finance Directorate. As prisoners leave prison, they receive the balance of their personal cash from this account. The balance in the account at 31 December 2018 was €1,033,099 (2017: €950,435). This represents the accumulated prisoner balances at year end but also includes amounts due to prison shops for purchases in December (typically €600,000 approx.).
- **Prison shops** — Each prison has an internal shop ('tuck shop') where prisoners can purchase small items such as sweets and soft drinks, etc. The items are paid for from individual prisoners' personal funds. All procurement for the shop is done through the cash generated and is funded from sales to prisoners. Net profit generated is transferred to the Prisoner Assist Programme Fund to assist prisoner hardship cases. The total of the bank account balances for the 11 prison shops at 31 December 2018 was €576,668 (2017: €671,218). The value of stock on hand was €343,867 (2017: €322,078).
- **Prisoner Assist Programme Fund (PAPF)** — Each prison operates a PAPF account to fund prisoner hardship projects. The funding for the account is not from voted funds but rather from the surpluses generated from the prison shop. The total of the bank account balances at 31 December 2018 was €731,324 (2017: €455,194).

In addition, Voluntary Mess Committees (VMCs) are currently operating in eight prisons to coordinate the administration of the operation of canteen facilities for prison staff provided through prisoner training kitchens. VMCs operate as separate and independent entities from the Irish Prison Service. Notwithstanding this, the Irish Prison Service has engaged with each VMC to remind them of their governance obligations and to reinforce to the Committees their responsibilities for adherence with policies, procedures, controls and Revenue regulations. Further advice to support the operation of the independent VMCs in the operation of canteen facilities for prison staff, provided through prisoner training kitchens, will be provided in the next phase of the business process review project in the Irish Prison Service.