

Appropriation Account 2019

Vote 41

Policing Authority

Introduction

As Chief Executive of the Policing Authority, I am the Accounting Officer for Vote 41. I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2019 for the salaries and expenses of the Policing Authority.

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

A surplus of €544,000 is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 5 form part of the account.

Role of the Authority

The Policing Authority was established on 1 January 2016 by the enactment of the Garda Síochána (Policing Authority and Miscellaneous Provisions) Act 2015. It comprises the Chairperson and eight members. The role of the Authority is to oversee the performance by the Garda Síochána of its functions relating to policing services.

The Authority is responsible for

- leading and directing the Authority's activities
- compliance with all applicable statutory obligations
- holding the CEO and senior management to account for the effective performance of their responsibilities
- matters relating to audit, governance and risk management
- ensuring that there are effective systems of internal control in place and implemented
- the preparation and adoption of a strategic plan, and
- the preparation of the annual report of the Authority.

The Authority has adopted the *Code of Practice for the Governance of State Bodies*. The annual report of the Authority for 2019 will be submitted to the Minister for Justice and Equality by 31 March 2020.

On foot of the report of the Commission on the Future of Policing it is proposed that a new statutory body be established. The new body will implement the proposals in the report to merge the Garda Inspectorate and the Policing Authority. Pending the new legislation, the existing oversight bodies are to continue with their current roles.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform in Circular 27 of 2019, have been applied in the preparation of the account.

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 Policing Authority. This responsibility is exercised in the context of the resources available to me and my other obligations as Chief Executive. 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 control is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

Financial services are provided to the Authority under a service level agreement by Financial Shared Services in the Department of Justice and Equality. Payroll and HR services are provided to the Authority by the National Shared Services Office for the provision of HR and payroll shared services under a memorandum of understanding. I have fulfilled my responsibilities in relation to the requirements of these agreements.

The Accounting Officers of the Department of Justice and Equality and the National Shared Services Office are responsible for the operation of the internal control systems in relation to financial shared services and payroll and HR services respectively. I rely on letters of assurance from the Accounting Officer of the Department of Justice and Equality and the Accounting Office of the National Shared Services Office that appropriate systems for governance and internal control are exercised over the services that they provide to the Authority.

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.
- An Audit and Risk Committee to advise me in discharging my responsibilities for the internal financial control system is in place.
- 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. This includes the following elements

- there is an appropriate budgeting system with an annual budget which is kept under review by the Senior Management Team (SMT)
- there are regular reviews by the SMT of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system is in operation
- 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 Authority 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, which are complied with by the Authority.

Internal audit and Audit and Risk Committee

I confirm that the Policing Authority has an internal audit function which is currently outsourced with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Authority is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Authority's Audit and Risk Committee.

I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Risk and control framework

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

A risk register is in place which identifies the key risks facing the Authority and these have been identified, evaluated and graded according to their significance. The risk register is reviewed and updated as appropriate by the SMT on a monthly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and assigns responsibility for the 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 the SMT, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

I confirm that the Authority has procedures to monitor the effectiveness of its risk management and control procedures. The Authority'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 of the Authority responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2019 that resulted in, or may result in a material loss.

Helen Hall
Accounting Officer
Policing Authority

2 March 2020

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 41 Policing Authority

Opinion on the appropriation account

I have audited the appropriation account for Vote 41 Policing Authority for the year ended 31 December 2019 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 41 Policing Authority for the year ended 31 December 2019, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the *Preface to the Appropriation Accounts*. I am independent of the Policing Authority and have fulfilled my other ethical responsibilities in accordance with the standards.

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

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

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

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General

25 June 2020

Vote 41 Policing Authority

Appropriation Account 2019

	2019		2018
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A Provision of independent oversight of the policing functions of An Garda Síochána	3,376	2,845	2,440
Gross expenditure	3,376	2,845	2,440
<i>Deduct</i>			
B Appropriations-in-aid	52	65	66
Net expenditure	3,324	2,780	2,374

Surplus

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

	2019	2018
	€	€
Surplus to be surrendered	544,124	912,270

Helen Hall

Accounting Officer
Policing Authority

2 March 2020

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2019

	<u>2019</u>	<u>2018</u>
	<u>€000</u>	<u>€000</u>
Administration Pay	1,932	1,772
Administration Non-pay	913	668
Gross expenditure	2,845	2,440
<i>Deduct</i>		
Appropriations-in-aid	65	66
Net expenditure	2,780	2,374
Changes in capital assets		
Purchases cash	(5)	
Depreciation	5	(5)
Changes in net current assets		
increase in closing accruals	14	
Increase in stock	(2)	(3)
Direct expenditure	2,792	2,366
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	313	436
Net programme cost	3,105	2,802

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 41 borne elsewhere.

	<u>2019</u>	<u>2018</u>
	<u>€000</u>	<u>€000</u>
Vote 9 Office of the Revenue Commissioners	8	8
Vote 13 Office of Public Works	253	379
Vote 18 National Shared Services	4	2
Vote 24 Justice and Equality	48	47
	313	436

Note 2 Statement of Financial Position as at 31 December 2019

	Note	2019 €000	2018 €000
Capital assets	2.1	16	16
Current assets			
Bank and cash		83	90
Stocks		7	5
Prepayments		15	13
Other debit balances	2.2	4	-
Net Exchequer funding	2.4	14	-
Total current assets		<u>123</u>	<u>108</u>
Less current liabilities			
Accrued expenses		31	15
Other credit balances	2.3	101	90
Total current liabilities		<u>132</u>	<u>105</u>
Net current liabilities		<u>(9)</u>	<u>3</u>
Net assets		<u><u>7</u></u>	<u><u>19</u></u>
Represented by:			
State funding account	2.5	<u><u>7</u></u>	<u><u>19</u></u>

2.1 Capital assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2019	20	33	53
Additions	4	1	5
Cost or valuation at 31 December 2019	24	34	58
Accumulated depreciation			
Opening balance at 1 January 2019	8	29	37
Depreciation for the year	4	1	5
Cumulative depreciation at 31 December 2019	12	30	42
Net assets at 31 December 2019	12	4	16
Net assets at 31 December 2018	12	4	16

2.2 Other debit balances

at 31 December	2019 €000	2018 €000
Other debit suspense items	4	—
	4	—

2.3 Other credit balances

at 31 December	2019 €000	2018 €000
Amounts due to the State		
Income tax	57	53
Pay related social insurance	20	18
Professional services withholding tax	15	2
Value added tax on foreign invoices	6	2
	98	75
Other credit suspense items	3	15
	101	90

2.4 Net Exchequer funding

at 31 December	2019	2018
	€000	€000
Surplus to be surrendered	544	912
Exchequer grant undrawn	(558)	(912)
Net Exchequer funding	(14)	—
Represented by:		
Debtors		
Other debit suspense items	4	—
Bank and cash	83	90
	87	90
Creditors		
Due to State	(98)	(75)
Other credit suspense items	(3)	(15)
	(101)	(90)
	(14)	—

2.5 State funding account

	Note	2019	2018
		€000	€000
Balance at 1 January		19	11
Disbursements from the Vote			
Estimate provision	Account	3,324	
Surplus to be surrendered	Account	(544)	
Net vote		2,780	2,374
Expenditure (cash) borne elsewhere	1.1	313	436
Net programme cost	1	(3,105)	(2,802)
Balance at 31 December		7	19

2.6 Commitments

Global commitments		
At 31 December	2019	2018
	€000	€000
Procurement of goods and services	85	10

Note 3 Vote Expenditure

Analysis of administration expenditure

All programme cost is classified as administration expenditure.

	2019		2018
	Estimate provision	Outturn	Outturn
	€000	€000	€000
i Salaries, wages and allowances	2,176	1,932	1,772
ii Travel and subsistence	50	49	34
iii Training and development and incidental expenses	745	637	444
iv Postal and telecommunication services	50	12	12
v Office equipment and external IT services	125	150	116
vi Office premises expenses	130	64	58
vii Consultancy and other services	100	1	4
	3,376	2,845	2,440

Significant variations

The following outlines the reasons for significant variations in the expenditure of the vote (+/- 25% and €100,000).

i Salaries, wages and allowances

Estimate provision: €2.176 million, outturn: €1.932 million

The shortfall of €244,000 on expenditure on salaries, wages and allowances was due to longer than expected timelines to recruit and appoint staff members that resulted in 33 of the total staff complement of 39 being in place by the end of 2019.

iii Training and development and incidental expenses

Estimate provision: €745,000, outturn: €637,000

The delay in filling staff positions resulted in lower administration costs throughout the year. As the Authority was not staffed up to its full complement, certain activities planned for the year could not take place and consequently there were savings of €108,000 in this subhead.

v Office equipment and external IT services

Estimate provision: €125,000, outturn: €150,000

The overspend in this subhead of €25,000 was a consequence of office equipment requirements, prepayment in respect of software licenses, and year-on-year increases in expenditure on ICT managed services, print managed services, and stationery supplies.

Note 4 Receipts

4.1 Appropriations-in-aid

	2019		2018
	Estimated €000	Realised €000	Realised €000
Receipts from additional superannuation contributions on public service remuneration ^a	52	65	66
	52	65	66

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

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2019	2018
Number of staff at year end	<u>33</u>	<u>32</u>

5.2 Employee pay

	2019	2018
	€000	€000
Pay	1,768	1,618
Higher, special or additional duties allowance	2	13
Employer's PRSI	<u>162</u>	<u>141</u>
Total pay	<u>1,932</u>	<u>1,772</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2019	2018
			€	€
Higher, special or additional duties	1	—	1,495	11,187

5.4 Authority members' fees and expenses

In 2019, there were nine members of the Authority, including the Chairperson. Fees totalling €143,681 were paid during 2019 (2018: €151,191). The Authority met in plenary a total of 15 times (six in public), (2018: 15, (five in public) and a total of 25 subcommittee meetings were held (2018: 29). Expenses paid to the Authority's board members in 2019 were €19,768 (2018: €9,747). The fees and expenses were charged to subhead A (iii) Training and development and incidental expenses.

5.5 Other remuneration arrangements

Eleven retired civil servants in receipt of civil service pensions were re-engaged on various duties in 2019 (2018: six) at a total cost of €82,543 (2018: €73,233). Appropriate procedures are in place with regard to payments to retired personnel in accordance with Section 52 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.