

Appropriation Account 2020

Vote 17

Public Appointments Service

Introduction

As Accounting Officer for Vote 17, 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 2020 for the salaries and expenses of the Public Appointments Service.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2020, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- (b) provided for capital supply services in 2020 out of unspent 2019 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €2.613 million 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 Board

The Public Appointments Service was established under the Public Service Management (Recruitment and Appointments) Act 2004. It provides for a Chief Executive of the Service, and the appointment of a Board, consisting of eight external members and the Chief Executive in an ex officio basis.

The statutory functions of the Board are more advisory in nature than the traditional functions of State boards and essentially relate to giving advice or guidance to the Chief Executive. In general, they include

- representing the interests of the public service and ensuring that all appropriate service standards are being achieved
- considering and approving plans and strategic objectives put forward by the Chief Executive
- monitoring and advising the Public Appointments Service in the performance of its functions
- ensuring that appropriate review procedures are developed and implemented in relation to recruitment and promotion competitions, having regard to any relevant codes of practice issued by the Commission for Public Service Appointments
- publishing the annual report of the Public Appointments Service.

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 22 of 2020, have been applied in the preparation of the account.

Valuation of capital assets

As provided for in circular 21 of 2020, the Public Appointments Service has applied a threshold of €1,000 for the capitalisation of its capital assets.

Depreciation

A full year's depreciation is charged in the year of acquisition/commissioning and no depreciation is charged in the year of disposal.

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 Public Appointments Service.

This responsibility is exercised in the context of the resources available to me and my other obligations as Head of the Office. 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

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between the Public Appointments Service and the National Shared Services Office for the provision of shared services (e.g. human resources and payroll).

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 Public Appointments Service.

The position in regard to the financial control environment, the framework of administrative procedures, management reporting and internal audit is as follows.

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 Public Appointments 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.

Internal audit and Audit Committee

I confirm that the Public Appointments Service has an internal audit function 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 Public Appointments Service 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 Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Non-compliance with procurement rules

I confirm that the Public Appointments 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. The Public Appointments Service has provided details of three non-competitive contracts in the annual return in respect of circular 40 of 2002 to the Comptroller and Auditor General and to the Department of Public Expenditure and Reform.

Risk and control framework

The Office 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 Office and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Board on a quarterly 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 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 Management Board, 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 Office has procedures to monitor the effectiveness of its risk management and control procedures (discussed further in the next section). The Office'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 Public Appointments Service responsible for the development and maintenance of the internal financial control framework.

Covid-19 pandemic

Senior management completed a review of the impact of Covid-19 on the Office's systems of internal control. No significant gaps, weaknesses or areas of non-compliance were noted. A number of procedures and internal controls were adapted to ensure they continue to function effectively in a remote working environment.

Internal financial control issues

An internal audit of Asset Management conducted in late 2020 identified some areas for improvements in 2021; those which mainly relate to the documentation of procedures will be progressed immediately, and the remaining recommendations relate to the upgrade to our Financial Management System, which is due to be completed in mid-2021. An internal audit on accounting and reporting was also conducted in 2020, with all of the recommendations implemented other than the recommendation which is also related to the upgrade of the Financial Management System.

No weaknesses in internal financial control were identified in relation to 2020 that require disclosure in the appropriation account.

Shirley Comerford
Accounting Officer
Public Appointments Service

20 September 2021

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 17 Public Appointments Service

Opinion on the appropriation account

I have audited the appropriation account for Vote 17 Public Appointments Service for the year ended 31 December 2020 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 17 Public Appointments Service for the year ended 31 December 2020, 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 Public Appointments 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*.

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General

21 September 2021

Vote 17 Public Appointments Service

Appropriation Account 2020

		2020	2019
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A Civil and public service – redeployment/recruitment/selection			
<i>Estimate provision</i>	16,445		
<i>Deferred surrender</i>	150		
		16,595	13,940
Gross expenditure			14,810
<i>Estimate provision</i>	16,445		
<i>Deferred surrender</i>	150		
		16,595	13,940
<i>Deduct</i>			
B Appropriations-in-aid		154	312
Net expenditure			14,810
<i>Estimate provision</i>	16,291		
<i>Deferred surrender</i>	150		
		16,441	13,628
		16,441	14,557

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. €200,000 of unspent allocations in respect of the capital elements of subhead v Office equipment and external IT services was carried forward to 2021.

	2020	2019
	€	€
Surplus	2,813,439	770,605
Deferred surrender	(200,000)	(150,000)
Surplus to be surrendered	2,613,439	620,605

Shirley Comerford
Accounting Officer
Public Appointments Service

20 September 2021

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2020

	2020	2019
€000	€000	€000
Pay	8,912	8,171
Non pay	5,028	6,639
Gross expenditure	13,940	14,810
<i>Deduct</i>		
Appropriations-in-aid	312	253
Net expenditure	13,628	14,557
Changes in capital assets		
Purchases cash	(285)	
Depreciation	200	
Loss on disposals	12	(18)
	(73)	
Changes in net current assets		
Decrease in closing accruals	(92)	
Increase in stock	—	(43)
	(92)	
Direct expenditure	13,463	14,496
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	3,849	3,420
Net programme cost	17,312	17,916

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 17 borne elsewhere.

	2020	2019
	€000	€000
Vote 9 Office of the Revenue Commissioners	45	45
Vote 12 Superannuation and Retired Allowances	954	995
Vote 13 Office of Public Works	2,799	2,361
Vote 18 National Shared Services Office	22	19
Vote 43 Office of the Government Chief Information Officer	29	—
	3,849	3,420

Note 2 Statement of Financial Position as at 31 December 2020

	Note	2020 €000	2019 €000
Capital assets	2.1	556	483
Current assets			
Bank and cash	2.2	719	580
Stocks	2.3	26	26
Prepayments		432	234
Accrued income		47	15
Other debit balances	2.4	1,895	93
Total current assets		3,119	948
Less current liabilities			
Accrued expenses		215	77
Other credit balances	2.5	321	270
Net Exchequer funding	2.6	2,293	403
Total current liabilities		2,829	750
Net current assets		<u>290</u>	<u>198</u>
Net assets		<u>846</u>	<u>681</u>
Represented by:			
State funding account	2.7	<u>846</u>	<u>681</u>

2.1 Capital assets

	Office and IT equipment	Furniture and fittings	Leasehold improvement	Total
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2020	7,137	763	691	8,591
Additions	144	141	—	285
Disposals	(208)	(529)	—	(737)
Cost or valuation at 31 December 2020	7,073	375	691	8,139
Accumulated depreciation				
Opening balance at 1 January 2020	6,763	654	691	8,108
Depreciation for the year	172	28	—	200
Depreciation on disposals	(208)	(517)	—	(725)
Cumulative depreciation at 31 December 2020	6,727	165	691	7,583
Net assets at 31 December 2020	346	210	—	556
Net assets at 31 December 2019	374	109	—	483

2.2 Bank and cash

at 31 December	2020	2019
	€000	€000
PMG balances	711	526
Commercial bank account balance	7	54
Petty cash	1	—
	719	580

2.3 Stocks

at 31 December	2020	2019
	€000	€000
Stationery	11	—
IT consumables	15	26
	26	26

2.4 Other debit balances

at 31 December	2020	2019
	€000	€000
Salary suspense	39	38
Advances to OPW	1,800	—
Recoupable travel pass scheme	21	51
Other debit suspense items	35	4
	1,895	93

2.5 Other credit balances

at 31 December	2020	2019
	€000	€000
Amounts due to the State		
Income tax	181	154
Pay related social insurance	96	87
Professional services withholding tax	28	12
Value added tax	15	16
Local property tax	1	1
	321	270
Credit balance suspense	—	—
	321	270

2.6 Net Exchequer funding

at 31 December	2020	2019
	€000	€000
Surplus to be surrendered	2,613	621
Deferred surrender	200	150
Exchequer grant undrawn	(520)	(368)
Net Exchequer funding	2,293	403
Represented by:		
Debtors		
Bank and cash	719	580
Debit balances: suspense	1,895	93
	2,614	673
Creditors		
Due to the State	(321)	(270)
Credit balances: suspense	—	—
	(321)	(270)
	2,293	403

2.7 State funding account

	Note	2020	2019
		€000	€000
Balance at 1 January		681	620
Disbursements from the Vote			
Estimate provision	Account	16,441	
Deferred surrender	Account	(200)	
Surplus to be surrendered	Account	(2,613)	
Net vote		13,628	14,557
Expenditure (cash) borne elsewhere	1.1	3,849	3,420
Net programme cost	1	(17,312)	(17,916)
Balance at 31 December		846	681

2.8 Commitments

Global commitments			
		2020	2019
at 31 December		€000	€000
Procurement of goods and services		232	126
Capital projects		4,612	—
Total of legally enforceable commitments		4,844	126

Note The increase in commitments is due to the Chapter House upgrade project, the contract for which was signed in December 2020.

Note 3 Vote Expenditure

Analysis of administration expenditure

All of the allocation for Vote 17 Public Appointments Service is classified as administration expenditure applied towards a single programme: civil and public service – redeployment/ recruitment/selection.

		2020		2019
		Estimate provision €000	Outturn €000	Outturn €000
i	Salaries, wages and allowances	8,823	8,912	8,171
ii	Travel and subsistence	32	42	48
iii	Training and development and incidental expenses	322	348	407
iv	Postal and telecommunications services	107	88	87
v	Office equipment and external IT services			
	<i>Estimate provision</i>	1,350		
	<i>Deferred surrender</i>	150		
		1,500	1,231	1,320
vi	Office premises expenses	2,279	465	1,508
vii	Recruitment costs – research and corporate governance	30	53	65
viii	Recruitment costs – advertising and testing	1,247	1,575	1,204
ix	Recruitment costs – interview boards	2,255	1,226	2,000
		16,595	13,940	14,810

Significant variations

The following outlines an analysis of the administration expenditure of the Vote and outlines the reasons for significant variations (+/- 25% and €100,000).

vi Office premises expenses

Estimate provision €2.279 million; outturn €465,000

The shortfall in expenditure of €1.814 million relative to the estimate provision was due to delays in the commencement of planned office upgrade works.

viii Recruitment costs – advertising and testing

Estimate provision €1.247 million; outturn €1.575 million

The excess expenditure of €328,000 is as a result of the increased use of remote testing and assessment in response to the move to remote working and to deal with the large increase in the volume of applications received.

ix Recruitment costs – interview boards

Estimate provision €2.255 million; outturn €1.226 million

The reduction in expenditure of €1.029 million on interview costs is due to the move to remote interviewing and associated savings in catering costs, as well as an increase in use of Public Appointments Service staff as interview board members when interviewing remotely. There has also been a reduction in the number of boards and interviews held for large volume campaigns with a switch to demand-led interviewing.

Note 4 Receipts

4.1 Appropriations-in-aid

	2020		2019
	Estimated €000	Realised €000	Realised €000
1 Miscellaneous	25	153	165
2 Receipts from additional superannuation contributions on public service remuneration	129	159	88
Total	154	312	253

Significant variations

The following outlines the reasons for significant variations in receipts (+/- 5% and €100,000). Overall, appropriations-in-aid were €158,000 more than the estimate. Explanations for significant variances are set out below.

1 Miscellaneous

Estimate €25,000; realised €153,000

The increase of €128,000 was primarily due to reimbursement by clients of payments made on their behalf by the Public Appointments Service in 2019 falling into 2020. Also included in this amount is a grant of €25,000 which was received in the year but was not included in the estimate amount.

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2020	2019
Number of staff at year end	207	190

5.2 Pay

	2020	2019
	€000	€000
Pay	8,047	7,251
Higher, special or additional duties allowances	107	123
Overtime	20	116
Employer's PRSI	738	681
Total pay	8,912	8,171

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2020	2019
			€	€
Higher, special or additional duties allowances	39	1	10,504	16,020
Overtime	46	—	2,424	10,568
Extra remuneration in more than one category	12	1	12,148	17,597

5.4 Other remuneration arrangements

A total of €35,055 was paid as fees to four members of the Board of the Public Appointments Service in 2020 (2019: €35,055).

Member	Status	Sector	Annual spend	
			2020 €	2019 €
Ms Shirley Comerford	Member (Chief Executive)	Civil servant	—	—
Mr Tom Moran	Chairman	Former civil servant	11,970	11,970
Ms Mary Hurley	Member	Civil servant	—	—
Dr Eddie Molloy	Member	Private sector	7,695	7,695
Ms Anne Marie Taylor	Member	Private sector	7,695	7,695
Ms Mary Connaughton	Member	Private sector	7,695	7,695
Mr John O'Callaghan	Member	Civil servant	—	—
Mr David Cagney	Member	Civil servant	—	—
Ms Anne O'Connor	Member	Public servant	—	—
Total			35,055	35,055

5.5 Payroll overpayments

	Number of recipients	2020	2019
		€	€
Overpayments	6	6,393	1,184
Recovery plans in place	3	2,921	1,184