

## **Appropriation Account 2021**

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### **Vote 11**

#### **Office of the Minister for Public Expenditure and Reform**

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## **Introduction**

As Accounting Officer for Vote 11, 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 2021 for the salaries and expenses of the Office of the Minister for Public Expenditure and Reform, for certain services administered by the Office of the Minister and for payment of certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2021, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €3.148 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 7 form part of the account.

## **Statement of Accounting Policies and Principles**

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform in circulars 1 and 9 of 2022, 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 Department.

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.

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

### ***Shared services***

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Department and the National Shared Services Office for the provision of HR and payroll shared 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 this Department.

### ***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.
- The Statement of Internal Financial Control for the Department of Finance is also relevant given that the Department of Finance provides certain services on a shared basis to Vote 11.
- 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 Department
- 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 Department 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 Department 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.

***Procurement compliance***

I confirm that the Department 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.

***Risk and control framework***

The Department 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 Department 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 responsibility for operation of controls assigned 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 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 Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department'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 Department 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 2021 that require disclosure in the appropriation account.

***Covid-19 control issues***

Business continuity measures were put in to effect to deal with the impact of Covid-19 and this facilitated the Department in remaining fully operational during 2021.

Due to the devolved nature of budgeting within the Department itself, the outsourcing of operational accounting to the Department of Finance, payroll to the National Shared Services Office and IT systems that allowed the Department to work fully remotely from late March 2020, the pandemic-related measures had little effect on the Department's financial control environment.

**David Moloney**  
Accounting Officer  
Department of Public Expenditure and Reform

23 March 2022

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 11 Office of the Minister for Public Expenditure and Reform**

##### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 11 Office of the Minister for Public Expenditure and Reform for the year ended 31 December 2021 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 11 Office of the Minister for Public Expenditure and Reform for the year ended 31 December 2021, 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 appendix to this report. I am independent of the Department of Public Expenditure and Reform 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 appendix to this report.

##### ***Payment of arbitration costs***

I refer to Note 6.3 of the appropriation account which discloses that the Department of Public Expenditure and Reform paid €460,000 to a supplier in settlement of arbitration proceedings. Chapter 3 of my report on the accounts of the public services for 2021 provides further information in relation to this payment.

**Seamus McCarthy**

Comptroller and Auditor General

22 July 2022

## Appendix to the report

### Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with Section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure and Reform
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

### Responsibilities 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 account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

### Reporting on the statement on internal financial control

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, the auditor is required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

### Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the certificates of opinion on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

## Vote 11 Office of the Minister for Public Expenditure and Reform

### Appropriation Account 2021

		2021	2020
	Estimate provision	Outturn	Outturn
	€000	€000	€000
<b>Programme expenditure</b>			
A Public expenditure and sectoral policy	21,298	21,119	19,618
B Public service management and reform	23,651	21,359	22,102
<b>Gross expenditure</b>	<b>44,949</b>	<b>42,478</b>	<b>41,720</b>
<i>Deduct</i>			
C Appropriations-in-aid	<b>2,275</b>	<b>2,952</b>	<b>3,062</b>
<b>Net expenditure</b>	<b>42,674</b>	<b>39,526</b>	<b>38,658</b>

### Surplus

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

	2021	2020
	€	€
<b>Surplus to be surrendered</b>	<b>3,148,074</b>	<b>4,232,708</b>

**David Moloney**  
Accounting Officer  
Department of Public Expenditure and Reform

23 March 2022



## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2021

	2021	2020
	€000	€000
Programme cost	16,646	16,023
Pay	24,695	24,226
Non pay	1,137	1,471
<b>Gross expenditure</b>	<b>42,478</b>	<b>41,720</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>2,952</b>	<b>3,062</b>
<b>Net expenditure</b>	<b>39,526</b>	<b>38,658</b>
<b>Changes in capital assets</b>		
Purchases cash	(4)	
Depreciation	255	251
		(169)
<b>Changes in net current assets</b>		
Increase in closing accruals	119	
Increase in closing stock	(9)	110
		3,399
<b>Direct expenditure</b>	<b>39,887</b>	<b>41,888</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	9,303	7,368
Notional rents	2,512	2,449
<b>Net programme cost</b>	<b>51,702</b>	<b>51,705</b>

#### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 11 borne elsewhere, net of costs of shared services provided to other Votes.

	2021	2020
	€000	€000
Vote 7 Office of the Minister for Finance	942	995
Vote 12 Superannuation and Retired Allowances	6,224	4,065
Vote 13 Office of Public Works	1,583	1,643
Vote 18 National Shared Services Office	42	48
Vote 43 Office of the Government Chief Information Officer	512	617
	<b>9,303</b>	<b>7,368</b>

**Note 2 Statement of Financial Position as at 31 December 2021**

	<b>Note</b>	<b>2021 €000</b>	<b>2020 €000</b>
<b>Capital assets</b>	2.1	2,045	2,308
<b>Current assets</b>			
Bank and cash		806	1,385
Stocks	2.2	26	17
Other debit balances	2.3	58	67
Prepayments	2.4	337	448
Accrued income	2.5	10	65
<b>Total current assets</b>		<b>1,237</b>	<b>1,982</b>
<b>Less current liabilities</b>			
Accrued expenses		139	186
Other credit balances	2.6	1,024	1,270
Net Exchequer funding	2.7	(160)	182
<b>Total current liabilities</b>		<b>1,003</b>	<b>1,638</b>
<b>Net current assets</b>		<b>234</b>	<b>344</b>
<b>Net assets</b>		<b>2,279</b>	<b>2,652</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.8	<b>2,279</b>	<b>2,652</b>

**2.1 Capital assets**

	IT equipment	Furniture and fittings	Office equipment	Capital assets under development	Total
	€000	€000	€000	€000	€000
<b>Gross assets</b>					
Cost or valuation at 1 January 2021	4,783	15	2	100	4,900
Additions	—	—	—	4	4
Adjustment <sup>a</sup>	(32)	(15)	(2)	—	(49)
Capital assets under development brought into service	104	—	—	(104)	—
Cost or valuation at 31 December 2021	4,855	—	—	—	4,855
<b>Accumulated depreciation</b>					
Opening balance at 1 January 2021	2,586	4	2	—	2,592
Adjustment	(31)	(4)	(2)	—	(37)
Depreciation for the year	255	—	—	—	255
Cumulative depreciation at 31 December 2021	2,810	—	—	—	2,810
<b>Net assets at 31 December 2021</b>	<b>2,045</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,045</b>
Net assets at 31 December 2020	2,197	11	—	100	2,308

Note <sup>a</sup> This adjustment relates to the removal of individual items with values of €10,000 from the asset register. These assets are still in use.

**2.2 Stocks**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Stationery	18	9
IT consumables	8	8
	<b>26</b>	<b>17</b>

**2.3 Other debit balances**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Recoupable travel pass expenditure	28	35
Other debit suspense items	30	32
	<b>58</b>	<b>67</b>

**2.4 Prepayments**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
IT costs	126	161
Education fees	120	45
International institutions	55	206
Subscriptions	27	28
Insurance	8	8
Miscellaneous	1	—
	<b>337</b>	<b>448</b>

**2.5 Accrued income**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
National Lottery Regulator pension contributions	10	9
Institute of Public administration – additional superannuation contributions	—	56
	<b>10</b>	<b>65</b>

**2.6 Other credit balances**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Income tax	495	486
Pay related social insurance	224	217
Professional services withholding tax	13	26
Value added tax	15	24
Pension contributions	83	80
Local property tax	2	2
	<u>832</u>	<u>835</u>
Payroll deductions held in suspense	83	104
Other credit suspense items	109	331
	<u><b>1,024</b></u>	<u><b>1,270</b></u>

**2.7 Net Exchequer funding**

at 31 December	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	3,148	4,233
Exchequer grant undrawn	(3,308)	(4,051)
<b>Net Exchequer funding</b>	<u><b>(160)</b></u>	<u><b>182</b></u>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	806	1,385
Debit balances: suspense	58	67
	<u>864</u>	<u>1,452</u>
<b>Creditors</b>		
Due to the State	(832)	(835)
Credit balances: suspense	(192)	(435)
	<u>(1,024)</u>	<u>(1,270)</u>
	<u><b>(160)</b></u>	<u><b>182</b></u>

## 2.8 State funding account

	Note	2021	2020
		€000	€000
Balance at 1 January		2,652	13,426
Disbursements from the Vote			
Estimate provision	Account	42,674	
Surplus to be surrendered	Account	(3,148)	
Net vote		39,526	38,658
Expenditure (cash) borne elsewhere		9,303	7,368
Non cash items - capital assets adjustment		(12)	(7,544)
Non cash expenditure – notional rent		2,512	2,449
Net programme cost		(51,702)	(51,705)
<b>Balance at 31 December</b>		<b>2,279</b>	<b>2,652</b>

## 2.9 Matured liabilities

at 31 December	2021	2020
	€000	€000
Estimate of matured liabilities not discharged at year end	—	7

### Note 3 Vote Expenditure

#### Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

		2021		2020
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	25,168	24,695	24,227
ii	Travel and subsistence	185	60	104
iii	Training and development and incidental expenses	887	856	842
iv	Postal and telecommunications services	22	17	14
v	Office equipment and external IT services	327	57	190
vi	Office premises expenses	313	147	321
		<b>26,902</b>	<b>25,832</b>	<b>25,698</b>

#### Significant variations

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

##### ii Travel and subsistence

*Estimate provision €185,000; outturn €60,000*

The underspend of €125,000 on expenditure on travel and subsistence was due to travel restrictions during the Covid-19 pandemic.

##### v Office equipment and external IT services

*Estimate provision €327,000; outturn €57,000*

The decrease of €270,000 on expenditure on office equipment and external IT services was due, in the main, to a delay in the planned procurement of a patient management IT system for the Civil Service Chief Medical Officer.

##### vi Office premises expenses

*Estimate provision €313,000; outturn €147,000*

The saving of €166,000 on expenditure on office premises expenses due, in the main, to new premises for One learning classrooms not being obtained.

**Programme A Public Expenditure and Sectoral Policy**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
A.1	Administration – pay	11,010	11,186	10,745
A.2	Administration – non pay	609	502	592
A.3	Economic and Social Research Institute – administration and general expenses	3,000	3,000	2,775
A.4	Structural funds technical assistance and other costs	1,370	1,023	1,115
A.5	Technical assistance costs of Regional Assemblies	670	669	650
A.6	Special EU Programmes Body and North/South programmes	2,300	2,283	2,112
A.7	Ireland/Wales and Transnational INTERREG	150	150	149
A.8	Consultancy and other services	269	687	140
A.9	Funding for pensions for bodies under the aegis of the Department	1,150	1,410	1,168
A.10	Irish Government Economic and Evaluation Service	270	193	172
A.11	Construction innovation support	500	16	—
		<b>21,298</b>	<b>21,119</b>	<b>19,618</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditures (+/- 25% and €100,000). Overall, the expenditure in relation to Programme A was €179,000 lower than the sum provided.

**A.4 Structural funds technical assistance and other costs**

*Estimate provision €1.37 million; outturn €1.023 million*

The savings in expenditure of €347,000 relative to the estimate provision was due to a delay in the commencement of a number of technical assistance support initiatives.

**A.8 Consultancy and other services**

*Estimate provision €269,000; outturn €687,000*

The excess in expenditure of €418,000 relative to the estimate provision was due, in the main, to the outcome of an arbitration process with a supplier.



**A.9 Funding for pensions for bodies under the aegis of the Department**

*Estimate provision €1.15 million; outturn €1.41 million.*

The excess in expenditure of €260,000 relative to the estimate provision was due to a number of retirements that had not been forecast at the time of the Revised Estimates in late 2020.

**A.11 Construction innovation support**

*Estimate provision €500,000; outturn €16,000*

The saving in expenditure of €484,000 relative to the estimate provision was due to the required programme of work not being advanced sufficiently in 2021 to allow for funds to be granted to an appropriate applicant through open competition.

**Programme B Public Service Management and Reform**

		<b>2021</b>		<b>2020</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
B.1	Administration – pay	14,158	13,508	13,482
B.2	Administration – non pay	1,125	635	879
B.3	Institute of Public Administration	2,725	2,725	2,725
B.4	Civil service arbitration and appeals procedure	42	37	33
B.5	Consultancy and other services	275	138	137
B.6	Public Service Innovation Fund	900	746	933
B.7	Reform agenda	648	603	923
B.8	Employee assistance officer shared service	1,448	1,320	1,346
B.9	Public pay determination support	100	36	17
B.10	Civil service learning and development programme	860	457	448
B.11	Single public service pension administration project	200	34	9
B.12	Implementation of Protected Disclosures Act	220	220	220
B.13	Non-profit sector data project	950	900	950
		<b>23,651</b>	<b>21,359</b>	<b>22,102</b>

**Significant variations**

The following outlines the reasons for significant variations in programme expenditures (+/- 25% and €100,000). Overall, the expenditure in relation to Programme B was €2.292 million lower than provided. Savings in administration expenditure totalled €1.146 million. The balance of the variance was mainly due to the following:

**B.5 Consultancy and other services**

*Estimate provision €275,000; outturn €138,000*

The saving in expenditure of €137,000 relative to the estimate provision was due to lower than expected legal advice costs required by civil service HR as well as the postponement of public service consultancy expenditure across business units in Programme B.

**B.6 Public Service Innovation Fund**

*Estimate provision €900,000; outturn €746,000*

The saving in expenditure of €154,000 relative to the estimate provision was due to bodies awarded grants not drawing down the funds.

**B.8 Employee assistance officer shared service**

*Estimate provision €1.448 million; outturn €1.32 million*

The saving in expenditure of €128,000 relative to the estimate provision was due to savings in programme pay as well as reduced travel costs as employee assistance officers were largely unable to physically meet clients across the State during the pandemic.

**B.10 Civil service learning and development programme**

*Estimate provision €860,000; outturn €457,000*

The saving in expenditure of €403,000 relative to the estimate provision was due, in the main, to a capital budget to fit out new classrooms not being consumed as new premises were not obtained.

**B.11 Single public service pension administration project**

*Estimate provision €200,000; outturn €34,000*

The saving in expenditure of €166,000 relative to the estimate provision was, in the main, due to a delay as a result of Covid-19 in the planned design and development work for a future central ICT system to support the administration of the Single Pension Scheme across the public service.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

		2021		2020
		Estimated	Realised	Realised
		€000	€000	€000
1	EU programmes	720	1,109	1,075
2	Pension cash flow surpluses	130	170	483
3	Miscellaneous	65	95	74
4	Receipts from additional superannuation contributions on public service remuneration	1,360	1,578	1,430
<b>Total</b>		<b>2,275</b>	<b>2,952</b>	<b>3,062</b>

#### Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000). Overall, appropriations-in-aid were €677,000 more than the original estimate. Explanations for variances are set out below:

#### 1 EU programmes

*Estimate €720,000; realised €1.109 million*

The increase of €389,000 was due to the difficulty in estimating the timing as well as the value of reimbursements pertaining to EU programmes.

#### 4 Receipts from additional superannuation contributions on public service remuneration

*Estimate €1.36 million; realised €1.578 million*

The increase of €218,000 was due, in the main, to the timing of payments by bodies under aegis in that payments for 2020 were made in 2021.

**4.2 Extra receipts payable to the Exchequer**

	<b>2021</b>	<b>2020</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	—	—
Voluntary surrender of ministerial salaries	37	28
EU receipt – Open Data Project	—	95
EU receipt – Road Project	—	36
EU receipt – TII Atlantic Project	—	254
EU receipt – Interreg refund	7	—
Miscellaneous receipt	—	3
Return of 2020 public service innovation grants	—	44
Transferred to the Exchequer	(44)	(460)
<b>Balance at 31 December</b>	<b>—</b>	<b>—</b>

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents	2021	2020
Number of staff at year end	<u>362</u>	<u>377</u>

### 5.2 Pay

	2021	2020
	€000	€000
Pay	24,447	24,175
Higher, special or additional duties allowances	272	241
Other allowances	9	23
Overtime	36	26
Employer's PRSI	1,984	1,889
<b>Total pay <sup>a</sup></b>	<b><u>26,748</u></b>	<b><u>26,354</u></b>

Note <sup>a</sup> The total pay figure is distributed across subheads A.1, A.4, B.1 and B.8.

The Department does not directly fund the pay costs of any of the bodies under its aegis.

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2021	2020
			€	€
Higher, special or additional duties allowances	35	6	39,157	33,016
Other allowances	2	—	9,293	13,590
Overtime	10	1	32,258	7,306
Extra remuneration in more than one category	3	3	42,426	14,915

#### 5.4 Other remuneration arrangements

This account includes expenditure of €220,626 (2020: €291,417) in respect of three officers (2020: four officers) who were serving outside the Department for all or part of 2021 and whose salary was paid by the Department.

Under the terms of the AHCPs 1% Programme for Competitiveness and Work (PCW) restructuring agreement, 43 officers (2020: 46) received a total of €109,214 (2020: €110,137) in respect of PCW/seniority allowances.

#### 5.5 Payroll overpayments

at 31 December	Number of recipients	2021 €	2020 €
Overpayments	35	145,797	75,535
Recovery plans in place	8	28,764	7,172

One individual with a recovery plan in place to a value of €240 transferred to another department in the year.

#### 5.6 Salary of Accounting Officer

As at 31 December 2021, the Accounting Officer's salary is at the grade of Secretary General Level I, with an annual gross salary of €213,859 (as at 31 December 2020, €211,742).

## Note 6 Miscellaneous

### 6.1 Committees, commissions and special inquiries

	Year established	2021 €000	2020 €000
Civil Service Arbitration Board <sup>a</sup>	1950/51	21	17
Top Level Appointments Committee <sup>b</sup>	1984	44	50
		<b>65</b>	<b>67</b>

Note <sup>a</sup> The Civil Service Arbitration Board provides means acceptable both to the State and to its employees for dealing with claims and proposals relating to the conditions of service of civil servants and to secure the fullest co-operation between the State, as employer, and civil servants, as employees, for the better discharge of public business.

<sup>b</sup> The Top Level Appointments Committee (TLAC) was established in 1984. The Committee's function is to recommend candidates to Ministers and Government for the most senior positions in the civil service – at Assistant Secretary level and upwards. By carrying out this function in an independent manner and by making its decisions strictly on the basis of the relative merit of the candidates for the positions concerned, TLAC aims to strengthen the management structure of the civil service, and to provide a means by which the best candidates can aspire to fulfilling their potential.

### 6.2 EU funding

The outturn shown in Subheads A.4, A.5 and A.6 includes payments in respect of activities which are co-financed by the EU. Estimates of expenditure and actual outturns were as follows:

Description	2021 Estimate €000	2021 Outturn €000	2020 Outturn €000
A.4 Structural funds technical assistance and other costs	1,096	732	726
A.5 Technical assistance costs of Regional Assemblies (grant-in-aid)	670	669	650
A.6 Special EU Programmes Body and North/South programmes	1,245	1,228	1,120
	<b>3,011</b>	<b>2,629</b>	<b>2,496</b>



### 6.3 Arbitration and conciliation costs

Expenditure in 2021 includes payments of €460,000 (2020: €nil) made to a supplier to cover costs as a result of arbitration proceedings.

There was one case in 2021 (2020: nil cases). €370,000 was paid in interest and charges and €90,000 was paid as a contribution to the costs of arbitration.

### Note 7 Contingency Fund

	2021	2020
	€000	€000
Balance at 1 January	1,200	1,200
Receipts	—	—
Payments	—	—
Balance at 31 December	<u>1,200</u>	<u>1,200</u>

The Contingency Fund is a non-statutory fund formed in 1923. The fund is available for use to facilitate the defraying of urgent or unforeseen expenditure which is not covered by the ordinary Votes and for which it may be impracticable to seek the immediate approval of Dáil Éireann e.g. during recess.

The procedures in relation to the operation of the fund are set out in *Public Financial Procedures* (Sections C.1.5 to C.1.12).

The size of the fund is reviewed every five years. Following a review in 2020, it was decided that the fund should remain at its existing level.

## Appendix A Accounts of bodies and funds under the aegis of the Department of Public Expenditure and Reform

The following table lists the bodies and funds under the aegis of the Department where the Department has an obligation to present financial statements. It indicates, as at the end of March 2022, the period to which the last audited financial statements relate and the date on which they were presented to the Oireachtas.

Body/Departmental fund	Last accounting period	Date of audit report	Date received by Minister/ Department	Date presented to the Oireachtas
Economic and Social Research Institute	2020	29 Jun 2021	16 Jul 2021	9 Aug 2021
Institute of Public Administration	2020	23 Nov 2021	17 Jan 2022	18 Jan 2022
Ireland-United States Educational Fund	2020	17 Nov 2021	17 Nov 2021	25 Nov 2021
Regulator of the National Lottery	2020	31 Aug 2021	16 Nov 2021	24 Nov 2021
Special EU Programmes Body	2020	8 Oct 2021	3 Nov 2021	9 Dec 2021
State Property Miscellaneous Deposit Account	2020	18 Nov 2021	18 Nov 2021	25 Nov 2021
Traveller's Protection Fund	2020	18 Nov 2021	18 Nov 2021	25 Nov 2021