

Appropriation Account 2023

Vote 28

Foreign Affairs

Introduction

As Accounting Officer for Vote 28, 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 2023 for the salaries and expenses of the Office of the Minister for Foreign Affairs, and for certain services administered by that Office, including grants and contributions to international organisations.

The expenditure outturn is compared with the sums

- granted by Dáil Éireann under the Appropriation Act 2023, including the amount that could be used as appropriations-in-aid of expenditure for the year.
- provided for capital supply services in 2023 out of unspent 2022 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €7.811 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, as set out by the Department of Public Expenditure, National Development Plan Delivery and Reform in circular 22 of 2023, have been applied in the preparation of the account, with the exception of the following:

Capital assets

As part of the transition to wider accrual reporting based on international standards, intangible assets representing software acquisition and development have been identified separately for the first time. Accordingly, capital assets have been separated into two components on the face of the statement of financial position and in the related notes: intangible assets (note 2.2) and property, plant and equipment (note 2.1). Comparatives have been restated to reflect this.

The carrying value of land and buildings included in capital assets is based on periodic valuations, with subsequent additions and improvements to land and buildings carried at cost. The revaluation method used is the current market value based on local market conditions.

Depreciation

Depreciation is calculated on an annual basis for the purposes of this account. Land and buildings are not depreciated.

Foreign exchange transactions

Transactions arising in foreign currencies are translated into Euro at the market rate of exchange prevailing at the beginning of each month. Foreign exchange transactions completed by headquarters are recorded at the rate at date of settlement of the transaction. All foreign currencies held in the Department's diplomatic missions' bank accounts have been revalued using the European Central Bank rates as at 31 December 2023.

Accrued expenses, prepayments, inventories and commitments at diplomatic missions

Accrued expenses, prepayments, inventories and commitments do not include amounts in respect of the Department's diplomatic missions other than those relating to property rental.

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. 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 is kept under ongoing review.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the service level agreement between this Department and the National Shared Services Office for the provision of payroll and human resource functions.

I rely on a letter of assurance from the Accounting Officer of the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to this Department.

Financial control environment

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

A framework of administrative procedures and regular management reporting is in place. It includes the following and, in particular, that

- there is segregation of duties and system of delegation and accountability.
- 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 setting out 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

The Department has an internal audit function with professionally trained personnel, which operates in accordance with a written charter that I have approved. Its work is informed by analysis of the risks to which the Department is exposed and its annual internal audit plans, approved by me, are based on this analysis. The annual 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. A formal process is in place to follow up on the implementation of recommendations from the reports of the internal audit function.

Procurement

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.

The Department has provided details of 47 non-competitive contracts in the annual return in respect of circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure, National Development Plan Delivery and Reform.

The Department complied with the relevant guidelines, with the exception of eleven contracts (in excess of €25,000 Ex VAT), totalling €892,636.

- Eight contracts (€739,677) which had previously been awarded under a competitive tender process were extended beyond the original contract date without a competitive process. Seven of these contracts (€680,228) have been tendered and new compliant contracts awarded, and the remaining contract has not been renewed by the Department.
- Three contracts (€152,959) were awarded without a competitive tendering process and will be tendered during 2024. Two of these contracts (€85,394) have been tendered and new compliant contracts awarded, and the remaining contract (€67,565) is currently being tendered by the Department.

Mission's tax compliance

It is the Department's policy to comply with local tax and social insurance obligations where missions are located. Compliance with the tax obligations of host countries are reviewed on an ongoing basis by both Finance Unit and Human Resources Divisions, through desktop reviews by teams at headquarters and by regular mission visits. In addition, the Department's Internal Audit function includes a review of compliance with local taxes in each mission's internal audit review. The Department also provides guidance on local tax rules as part of its training programme for staff in advance of overseas postings.

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. Evaluation and Audit Unit also carries out periodic reviews of the Department's risk management system as part of its multi-annual internal audit plan.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes. Control deficiencies are communicated in a timely manner to those responsible for taking corrective action and to management and the Management Board. 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 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 2023 that resulted in, or may result in, a material loss.

Joe Hackett
Accounting Officer
Department of Foreign Affairs

22 July 2024

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 28 Foreign Affairs

Opinion on the appropriation account

I have audited the appropriation account for Vote 28 Foreign Affairs for the year ended 31 December 2023 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 28 Foreign Affairs for the year ended 31 December 2023, and
- has been prepared in the form prescribed by the Minister for Public Expenditure National Development Plan Delivery 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 Foreign Affairs 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.

Write-off of system development costs

Note 6.4 discloses that, in 2023, the Department wrote off expenditure totaling €218,000 that had been incurred in respect of the development of a new passport processing system. The write-off followed the termination by agreement of a supplier contract due to contract delivery commitments not being met.

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 2023.

Seamus McCarthy

Comptroller and Auditor General
25 July 2024

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 National Development Plan Delivery and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure National Development Plan Delivery 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 appropriation account is 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 appropriation account 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 National Development Plan Delivery 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, I am 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 audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 28 Foreign Affairs

Appropriation Account 2023

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	To serve our people at home and abroad and to promote reconciliation and co-operation ('Our people')			
	<i>Original</i>	112,785		
	<i>Supplementary</i>	<u>7,442</u>		
			120,227	114,580
				122,773
B	To advance Ireland's interest and values in our shared Europe ('Our Europe')			
	<i>Original</i>	44,363		
	<i>Supplementary</i>	<u>518</u>		
			44,881	42,624
				40,039
C	To work for a fairer, more just, secure and sustainable world ('Our values')			
	<i>Original</i>	64,599		
	<i>Supplementary</i>	<u>36,420</u>		
			101,019	98,964
				128,773
D	To advance Ireland's prosperity by extending our influence and promoting our interests internationally ('Our prosperity')			
	<i>Original</i>	47,812		
	<i>Supplementary</i>	<u>589</u>		
			48,401	48,195
				43,719
E	To strengthen our effectiveness and capacity to deliver our goals ('Our effectiveness')			
	<i>Original</i>	71,069		
	<i>Deferred surrender</i>	2,250		
	<i>Supplementary</i>	<u>8,031</u>		
			81,350	86,410
				60,875

Gross expenditure

	<i>Original</i>	340,628			
	<i>Deferred surrender</i>	2,250			
	<i>Supplementary</i>	<u>53,000</u>			
			395,878	390,773	396,179
<i>Deduct</i>					
F Appropriations-in-aid					
	<i>Original</i>	65,000			
	<i>Supplementary</i>	<u>7,000</u>			
			<u>72,000</u>	<u>74,706</u>	<u>78,872</u>
Net expenditure					
	<i>Original</i>	275,628			
	<i>Deferred surrender</i>	2,250			
	<i>Supplementary</i>	<u>46,000</u>			
			<u>323,878</u>	<u>316,067</u>	<u>317,307</u>

Surplus

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

	2023	2022
	€	€
Surplus	7,811,297	18,087,679
Deferred surrender	—	(2,250,000)
Surplus to be surrendered	<u>7,811,297</u>	<u>15,837,679</u>

Joe Hackett
Accounting Officer
Department of Foreign Affairs

22 July 2024

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2023

	2023	2022
€000	€000	€000
Programme cost	138,966	159,662
Pay	129,345	119,346
Non pay	122,462	117,171
Gross expenditure	390,773	396,179
<i>Deduct</i>		
Appropriations-in-aid	74,706	78,872
Net expenditure	316,067	317,307
Changes in capital assets		
<i>Property, plant and equipment (note 2.1)</i>		
Purchases	(21,950)	
Depreciation	1,814	
Disposals	45	
Profit on disposals	(39)	
<i>Intangible assets (note 2.2)</i>		
Purchases	(645)	
Amortisation	—	
	(20,775)	(6,779)
Changes in net current assets		
Increase/(decrease) in accrued expenses	(371)	
(Increase)/decrease in inventories	(916)	
(Increase)/decrease in prepayments	(3,576)	
	(4,863)	1,695
Direct expenditure	290,429	312,223
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	31,580	28,775
Notional rents	3,311	3,311
Net programme cost	325,320	344,309

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 28 borne elsewhere, net of costs of shared services provided to other Votes.

		2023	2022
		€000	€000
Vote 9	Office of the Revenue Commissioners	80	82
Vote 12	Superannuation and Retired Allowances	24,574	22,130
Vote 13	Office of Public Works	6,110	5,660
Vote 18	National Shared Services Office	220	197
Vote 20	Garda Síochána	81	235
Vote 43	Office of the Government Chief Information Officer	272	148
	Central Fund – ministerial pensions	417	433
	Costs of shared services provided to other Votes	(174)	(110)
		31,580	28,775

Note 2 Statement of Financial Position as at 31 December 2023

	Note	2023 €000	2022 €000
Fixed assets			
Property, plant and equipment	2.1	219,012	200,285
Intangible assets	2.2	645	—
Total fixed assets		219,657	200,285
Current assets			
Inventories	2.4	8,421	7,505
Prepayments	2.5	13,181	9,605
Other debit balances	2.6	8,604	9,503
Net Exchequer funding	2.9	334	(1,249)
Total current assets		30,540	25,364
Less current liabilities			
Bank and cash	2.3	4,537	4,220
Accrued expenses	2.7	2,050	2,421
Other credit balances	2.8	4,401	4,034
Total current liabilities		10,988	10,675
Net current assets		19,552	14,689
Net assets		239,209	214,974
Represented by:			
State funding account	2.10	239,209	214,974

2.1 Property, plant and equipment^a

	Buildings	Vehicles and equipment	Office and IT equipment	Furniture and fittings	Assets under development ^{b,d}	Total
	€000	€000	€000	€000	€000	€000
Cost or valuation ^a						
At 1 January 2023	187,278	3,034	33,077	7,343	8,591	239,323
Additions	11,772	488	395	24	9,271	21,950
Disposals	—	(173)	(120)	(2,371)	—	(2,664)
Transfers	1,337	—	—	—	(1,337)	—
Adjustment ^c	(1,185)	—	—	—	—	(1,185)
At 31 December 2023	199,202	3,349	33,352	4,996	16,525	257,427
Accumulated depreciation						
At 1 January 2023	—	2,242	30,538	6,476	—	39,256
Depreciation for the year	—	401	1,379	34	—	1,814
Depreciation on disposals	—	(167)	(120)	(2,371)	—	(2,658)
At 31 December 2023	—	2,476	31,797	4,139	—	38,412
Net assets						
At 31 December 2023	199,202	873	1,555	857	16,525	219,012
At 31 December 2022	187,278	792	2,539	867	8,809	200,285

Footnotes to 2.1

Note	^a	Cost or valuation include assets acquired for less than €10,000 prior to 1 January 2021.
	^b	Assets under development represents the development of Ireland House in Tokyo and a new embassy in Abuja, currently in progress. These assets represent projects that were not complete at 31 December 2023. Transfers of €1.337 million from assets under development into land and buildings related to a premise purchased.
	^c	Property valuation adjustment.
	^d	Capital assets under development include costs incurred in respect of a construction project in Abuja. From 2023, all major construction projects in Vote 27 are managed and funded by Vote 28. Vote 28 paid costs totalling €3,936,000 in 2023 in respect this construction project. Following completion of the project, the building will be transferred to Vote 27 at the cost incurred in Vote 28.

2.2 Intangible assets

	Acquired and developed software	Assets under development	Total
	€000	€000	€000
Cost or valuation			
At 1 January 2023	31,516	218	31,734
Additions	—	645	645
Write off	—	(218)	(218)
At 31 December 2023	31,516	645	32,161
Accumulated amortisation			
At 1 January 2023	—	—	—
Reclassification (Note 2.1)	31,516	—	31,516
Amortisation for the year	—	—	—
At 31 December 2023	31,516	—	31,516
Net assets			
At 31 December 2023	—	645	645
At 31 December 2022	—	218	218

2.3 Bank and cash

at 31 December	2023	2022
	€000	€000
PMG balances	(31,701)	(23,794)
Commercial bank account balances	5,833	2,595
Mission bank balances and cash	21,331	16,979
	(4,537)	(4,220)

2.4 Inventories

at 31 December	2023	2022
	€000	€000
Passport books and cards	8,381	7,466
Protocol stocks	40	39
	8,421	7,505

2.5 Prepayments

at 31 December	2023	2022
	€000	€000
Mission rents	1,283	2,090
Contributions to international organisations	7,237	2,205
Other prepayments	4,661	5,310
	13,181	9,605

2.6 Other debit balances

at 31 December	2023	2022
	€000	€000
Departmental and agency accounts	4,599	7,728
Imprest and personal suspense accounts	1,514	1,345
Salary advance accounts	1	3
Repatriations	121	124
Payroll control accounts	602	356
Honorary consulate debtors	70	(60)
Other balances	1,697	7
	8,604	9,503

2.7 Accrued expenses

at 31 December	2023	2022
	€000	€000
Administration accruals	1,571	1,496
Programme accruals	316	819
Travel and subsistence accruals	163	106
	2,050	2,421

2.8 Other credit balances

at 31 December	2023	2022
	€000	€000
Amounts due to the State		
Income tax	1,522	1,409
Pay related social insurance	1,219	1,098
Universal social charge	332	301
Local property tax	8	8
Value added tax	54	30
Professional services withholding tax	153	222
	3,288	3,068
Sundry creditors	1,113	966
	4,401	4,034

2.9 Net Exchequer funding

at 31 December	2023	2022
	€000	€000
Surplus to be surrendered	7,811	15,838
Deferred surrender	—	2,250
Exchequer grant undrawn	(8,145)	(16,839)
Net Exchequer funding	(334)	1,249
Represented by:		
Debtors		
Other debit balances	8,604	9,503
Creditors		
Bank and cash	(4,537)	(4,220)
Due to the State	(3,288)	(3,068)
Other credit balances	(1,113)	(966)
	(8,938)	(8,254)
	(334)	1,249

2.10 State funding account

	Note	2023	2022
		€000	€000
Balance at 1 January		214,974	209,890
Disbursements from the Vote			
Estimate provision	Account	323,878	
Surplus to be surrendered	Account	(7,811)	
Net vote		316,067	317,307
Expenditure (cash) borne elsewhere	1.1	31,580	28,775
Non-cash expenditure – notional rent	1	3,311	3,311
Non-cash items – property, plant and equipment adjustment	2.1	(1,185)	—
Non-cash items – intangible assets write-off	2.2	(218)	—
Net programme cost	1	(325,320)	(344,309)
Balance at 31 December		239,209	214,974

2.11 Commitments

Commitments include those amounts for which the Department may be legally liable in 2024 and subsequent years under binding enforceable contracts.

at 31 December	2023	2022
	€000	€000
Lease commitments ^a	119,807	83,590
Procurement of goods and services	6,500	14,376
Total commitments	126,307	97,966

Note ^a Property lease commitments are offset by prepayments. Prepaid rents amounted to €1.283 million (2022: €2.09 million) and are included in the prepayments figure of €13.181 million (note 2.5). Lease commitments at 31 December 2023 reflect total future commitments under legally binding lease agreements.

Note 3 Vote Expenditure

Analysis of administration expenditure

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

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	132,270	129,345	119,346
ii	Travel and subsistence			
	<i>Original</i>	7,300		
	<i>Supplementary</i>	1,501		
		8,801	8,684	7,606
iii	Training and development and incidental expenses	6,200	8,089	6,809
iv	Postal and telecommunications services	6,950	5,801	7,468
v	Office equipment and external IT services	22,650	24,178	35,519
vi	Office premises expenses			
	<i>Original</i>	51,200		
	<i>Deferred surrender</i>	2,250		
	<i>Supplementary</i>	9,400		
		62,850	59,572	44,228
vii	Consultancy services and value for money and policy reviews	100	58	62
viii	Posting supports			
	<i>Original</i>	15,002		
	<i>Supplementary</i>	999		
		16,001	16,080	15,479
		255,822	251,807	236,517

Significant variations

The following outlines the reasons for significant variations in administration expenditure (+/- 25% and €100,000) compared to the original provision.

iii Training and development and incidental expenses

Estimate provision €6.2 million; outturn €8.089 million

The increase in expenditure on this subhead arose from unrealised foreign exchange losses on the revaluation of foreign currency denominated bank balances at the year-end in accordance with the accounting policy. In addition, interpretation expenses in relation to EU works were higher than anticipated.

Programme A Our people

		2023		2022
		Estimate provision		Outturn
		€000	€000	€000
A.1	Administration – pay		35,038	34,263
A.2	Administration – non pay			31,615
	<i>Original</i>	39,874		
	<i>Supplementary</i>	2,242		
			42,116	37,743
A.3	Fulbright Commission		404	404
A.4	Emergency consular assistance		79	85
A.5	Support for Irish emigrant services			56,458
	<i>Original</i>	13,895		
	<i>Supplementary</i>	3,200		
			17,095	18,117
A.6	North-South and Anglo-Irish co-operation		5,545	4,959
A.7	International Fund for Ireland			13,959
	<i>Original</i>	4,650		
	<i>Supplementary</i>	2,000		
			6,650	6,650
A.8	Diaspora affairs		1,100	534
A.9	Covid contingency		10,000	9,625
A.10	Brexit adjustment reserve		2,200	2,200
			120,227	114,580
				122,773

Significant variations

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

A.5 Support for Irish emigrant services

Original provision €13.895 million; outturn €18.117 million

A supplementary estimate was provided to meet high demand for funding from Irish diaspora communities around the world, to support frontline service providers, as well as community, cultural and heritage projects.

A.6 North-South and Anglo-Irish co-operation

Estimate provision €5.545 million; outturn €4.949 million

This underspend arose due to the need to complete compliance procedures that were outstanding at year-end.

A.7 International Fund for Ireland

Estimate provision €4.650 million; outturn €6.650 million

A supplementary estimate was provided to meet the Government's commitments to the International Fund for Ireland (IFI), in particular a commitment to provide €20 million to support the IFI Connecting Communities Strategy over the term of that strategy.

A.8 Diaspora affairs

Estimate provision €1.100 million; outturn €534,000

This is a demand led grant scheme and as a result, it is difficult to estimate the volume of applications in any one year.

Programme B Our Europe

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
B.1	Administration – pay	30,340	29,672	27,376
B.2	Administration – non pay			
	Original	7,890		
	Supplementary	518		
		8,408	7,670	7,489
B.3	Actions consequent on Title V of the Treaty on European Union	418	333	299
B.4	EU engagement	2,215	2,068	1,647
B.5	Irish personnel in EU and international institutions	3,500	2,881	3,228
		44,881	42,624	40,039

Significant variations

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

B.4 EU engagement

Estimate provision €2.215 million; outturn €2.068 million

This subhead fell marginally short of the estimated provision by €147,000 due to delays in the submission of grant applications and postponement of a planned EU graduate job fair.

B.5 Irish personnel in EU and international institutions

Estimate provision €3.5 million; outturn €2.881 million

This underspend arose due to delays in receiving recoupment requests from other departments. New payment procedures are being introduced which should mitigate against future delays.

Programme C Our values

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
C.1	Administration – pay	16,457	16,091	14,849
C.2	Administration – non pay			
	<i>Original</i>	7,939		
	<i>Supplementary</i>	<u>520</u>		
		8,459	7,715	7,415
C.3	Contributions to international organisations			
	<i>Original</i>	40,203		
	<i>Supplementary</i>	<u>35,900</u>		
		76,103	75,158	106,509
		101,019	98,964	128,773

Significant variations

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

C.3 Contributions to international organisations

Estimate provision €40.203 million; outturn €75.158 million

A supplementary estimate of €35.9 million was received in relation to Ireland's contributions to international organisations. This was to fund €24.8 million in respect of Ireland's contributions to the European Peace Facility (EPF), which included contributions towards the provision of non-lethal support to Ukraine, and €11.1 million in respect of Ireland's assessed (mandatory) contributions to the UN.

Programme D Our prosperity

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
D.1	Administration – pay	26,491	25,908	23,903
D.2	Administration – non pay			
	<i>Original</i>	8,976		
	<i>Supplementary</i>	589		
		9,565	8,730	8,364
D.3	Promoting Ireland	9,116	9,448	7,941
D.4	Contributions to national and international organisations	3,229	4,109	3,511
		48,401	48,195	43,719

Significant variations

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

D.4 Contributions to national and international organisations

Estimate provision €3.229 million; outturn €4.109 million

It is difficult to estimate at the time of the budgetary process the amount of Ireland's international contributions for the subsequent year. Additional contributions arose due to higher than anticipated assessed contributions to the OECD.

Programme E Our effectiveness

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
E.1	Administration – pay	23,944	23,411	21,603
E.2	Administration – non pay			
	<i>Original</i>	44,723		
	<i>Deferred surrender</i>	2,250		
	<i>Supplementary</i>	8,031		
		55,004	60,604	37,445
E.3	Information services	2,402	2,395	1,827
		81,350	86,410	60,875

Note 4 Receipts

4.1 Appropriations-in-aid

			2023	2022
		Estimated	Realised	Realised
		€000	€000	€000
1	Passports, visa and other consular services			
	<i>Estimated</i>	61,570		
	<i>Supplementary</i>	7,000		
		68,570	69,979	74,774
2	Repayments of repatriation and maintenance advances	30	—	—
3	VAT refunds to diplomatic missions	500	1,094	1,081
4	Miscellaneous	500	817	422
5	Receipts from additional superannuation contributions on public service remuneration	2,400	2,816	2,595
	Total	72,000	74,706	78,872

Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000). Overall, appropriations-in-aid were €9.71 million more than the estimate.

1 Passports, visa and other consular services

Estimate €61.57 million; realised €69.979 million

Income was ahead by €8.4 million compared to the original estimate due to the significant increase in the volume of passport applications. As the passport service is a demand-led service it is difficult to project with certainty the level of applications that will be received in any given year.

3 VAT refunds to diplomatic missions

Estimate €500,000; realised €1.094 million

Income was ahead by €594,000 due to higher than anticipated VAT and sales tax refunds from foreign governments to missions overseas.

4 Miscellaneous

Estimate €500,000; realised €817,000

The increase of €317,000 arose as unused grants from previous years were returned by grantees during 2023, which were lodged to appropriations-in-aid.

5 Receipts from additional superannuation contributions on public service remuneration

Estimate €2.4 million; realised €2.816 million

The increase of €416,000 arose as receipts were more than anticipated due to higher payroll costs arising from national pay agreements.

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2023	2022
Number of staff at year end	<u>2,426</u>	<u>2,253</u>

5.2 Pay

	2023	2022
	€000	€000
Pay	109,613	102,076
Higher, special or additional duties allowances	380	535
Other allowances	13,266	11,519
Overtime	1,839	1,660
Employer's PRSI	8,484	7,648
Foreign social security/health insurance (missions)	3,923	4,089
Total pay^b	<u>137,505</u>	<u>127,527</u>

Note ^a Total pay includes administration pay (A.1, B.1, C.1, D.1 and E.1) and the pay elements of subhead A.9 Covid contingency. The amount included for pay in Note 1 and Note 3 refers to administrative subheads only.

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2023	2022
			€	€
Higher, special or additional duties	108	12	36,206	54,939
Other allowances	649	408	94,821	89,842
Overtime	506	49	46,618	44,833
Extra remuneration in more than one category	138	62	49,529	63,584

5.4 Department staffing by pay band

The number of Department employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2023	2022
20,000	59,999	1,137	1,093
60,000	69,999	115	100
70,000	79,999	100	95
80,000	89,999	74	64
90,000	99,999	54	57
100,000	109,999	48	56
110,000	119,999	59	36
120,000	129,999	30	36
130,000	139,999	30	24
140,000	149,999	30	15
150,000	159,999	11	16
160,000	169,999	14	12
170,000	179,999	8	5
180,000	189,999	2	3
190,000	199,999	5	9
200,000	209,999	3	2
210,000	219,999	4	4
220,000	229,999	3	1
230,000	239,999	1	—
240,000	249,999	1	1
250,000	259,999	1	1
260,000	269,999	1	1
270,000	279,999	2	—
280,000	289,999	1	—

5.5 Other remuneration arrangements

Five retired civil servants in receipt of a civil service pension were re-engaged on a fee basis at a total cost of €19,330 ranging from €375 to €10,000.

The payments made were consistent with the principles of the Public Service (Single Scheme and other Provisions) Act 2012.

Five non-civil servants were engaged on a fee basis at a total cost of €12,500 at €2,500 each.

This account includes expenditure of €694,320 in respect of six officers who were serving outside the Department for all or part of 2023 and whose salaries the Department paid.

5.6 Overpayments

at 31 December	Number of recipients	2023 €	2022 €
Overpayments	70	191,477	123,127
Recovery plans in place	25	45,729	45,932

Overpayment cases which originated in the Department in respect of 13 individuals, to the value of €12,205, were closed in other public service bodies in 2023.

5.7 Remuneration and benefits of Accounting Officer

The Accounting Officer's remuneration and taxable benefits for the financial year were as follows.

	2023 €000	2022 €000
Basic pay	227	213

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the pre-1995 pension scheme and his entitlements to retirement benefits do not extend beyond the standard terms of that scheme. No benefit-in-kind or allowances were paid in 2023.

Note 6 Miscellaneous

6.1 Compensation and legal costs

6.1 Payments/costs incurred during the year

	Claims by		Total	Total
	Employees	Members of the public	2023	2022
Number of cases	4	13	17	12
	€000	€000	€000	€000
Department's own legal costs	14	109	123	29
Payments by/on behalf of Department				
Compensation	93	471	564	106
Legal costs	—	278	278	—
Other costs	2	1	3	4
2023 Total	109	859	968	139
2022 Total	28	111	139	

Note At 31 December 2023, 13 cases were outstanding.

6.2 Late payment penalties

	2023	2022
	€	€
Interest and compensation	13,683	13,352

6.3 Passport Service operating cost statement ^a

		2023	2022
		Outturn	Outturn
	€000	€000	€000
Direct expenditure			
Payroll costs:			
Permanent staff	22,205		
Temporary staff	8,664	30,869	28,727
Passport books and cards		547	16,264
Operating costs ^b		12,828	9,434
Postage and telecoms		2,699	4,127
Premises and utility costs		1,103	697
Travel and subsistence		71	44
Total ^c		48,117	59,293

- Note ^a This statement covers direct costs (e.g. postage, building utility costs, operating costs, etc.) incurred by the passport offices. It does not include any allocation of indirect costs incurred by central services e.g. ICT, HR, Finance, Corporate Services, etc.
- ^b The 2022 comparative figure was restated.
- ^c Total costs include costs related to subhead A.9 Covid contingency, €9.625 million in 2023. This subhead was created to assist the Department with the processing of the significant increase in passport applications being received post Covid-19.

6.4 Write offs

The following sums were written off in the year:

	2023	2022
	€	€
Passport Integrated and Processing System ^a	218,230	—

- Note ^a A decision was made in 2023 that the contract with the new Passport Integrated and Processing System providers should be concluded due to the contract terms not being met.