

**Appropriation Account 2023**

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**Vote 42**

**Rural and Community Development**

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## Introduction

As Accounting Officer for Vote 42, 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 Rural and Community Development, including certain services administered by that Office and for the payment of grants.

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, and
- 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 €9.824 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, except for the following.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of amortisation</i>
Software licences	Licence term 2-10 years	50%-10%
Acquired/developed software	10 years	10%

### ***Payments to Pobal***

Funds are advanced to Pobal in relation to the delivery of certain programmes on an agency basis. The total amount paid to Pobal in the year was charged against the relevant subheads in the year (see note 6.3).

## 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 of Rural and Community Development.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

### ***Shared services***

Payroll and human resource functions are being provided on a shared services basis by the National Shared Services Office (Vote 18).

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 human resources and payroll shared services.

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 human resources and payroll shared services to this Department.

Financial shared services are provided by the Financial Shared Service Centre of the Department of Justice (Vote 24). I have fulfilled my responsibilities in relation to the requirements of the service management agreement between the Department and the Financial Shared Service Centre of the Department of Justice.

I rely on a letter of assurance from the Accounting Officer of the Justice Vote that the appropriate controls are exercised in the provision of financial shared services to my Department.

### ***Financial control environment***

A control environment comprising 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.
- There are systems in place to safeguard the assets of the Department.

### ***Administrative controls and management reporting***

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 in place.

#### ***Internal audit and Audit Committee***

The Department has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter. 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. As part of the continued development of the internal audit function, it will be periodically reviewed by me and the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

#### ***Procurement***

The Department ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines. Expenditure on goods and services, including the cost of contracted-in staff, amounted to a total of €20.156 million in 2023.

The Department has provided details of one non-competitive contract in excess of €25,000 in the annual return in respect of circular 40/2002 to the Department of Public Expenditure, National Development Plan Delivery and Reform.

#### ***Non-compliance with procurement rules***

In 2023, the Department made payments on a contract for which the procurement process was not fully in line with the guidelines. A framework put in place by an agency of the Department was utilised to procure this service. This was a contract for IT development of an online platform to allow greater access for use of public broadband connection point facilities, covering the period from December 2022 to December 2025 with a value of up to €700,000 (exclusive of VAT). Total payments of €125,580 were made in relation to this contract in 2023.

It is the policy of this Department to avail of all relevant centrally available frameworks as soon as they come on stream and to engage with the Office of Government Procurement in relation to more specific requirements. Controls remain in place to ensure compliance in this area.

#### ***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 risk register also details the controls and actions needed to mitigate risks and assigns responsibility for operation of controls to specific staff.

A Risk Committee is also in place to oversee the system of risk management and its implementation. The Committee includes all members of the Management Board and meets on a quarterly basis. The risk register is reviewed and updated at each quarterly meeting.

The outcome of these assessments are used to plan and allocate resources to ensure risks are managed to an acceptable level.

***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***

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.

**Mary Hurley**

Accounting Officer

Department of Rural and Community Development

27 March 2024

## **Comptroller and Auditor General**

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

## **Vote 42 Rural and Community Development**

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

I have audited the appropriation account for Vote 42 Rural and Community Development 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 42 Rural and Community Development 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 Rural and Community Development 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.

#### ***Non-compliance with procurement rules***

The Accounting Officer has disclosed in the statement on internal financial control that a material instance of non-compliance with procurement rules occurred in respect of a contract that operated in 2023.

**Seamus McCarthy**  
Comptroller and Auditor General

19 September 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 42 Rural and Community Development

### Appropriation Account 2023

		<b>2023</b>		<b>2022</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Programme expenditure</b>				
A	Rural Development and Regional Affairs			
	<i>Original</i>	201,610		
	<i>Deferred surrender</i>	10,500		
	<i>Supplementary</i>	(6,975)		
			205,135	181,384
B	Community Development			
	<i>Original</i>	222,268		
	<i>Deferred surrender</i>	4,000		
	<i>Supplementary</i>	17,975		
			244,243	203,566
C	Charities Regulatory Authority		224,382	4,292
		5,103	4,974	
<b>Gross expenditure</b>				
	<i>Original</i>	428,981		
	<i>Deferred surrender</i>	14,500		
	<i>Supplementary</i>	11,000		
			454,481	389,242
	<i>Deduct</i>			
D	<b>Appropriations-in-aid</b>	<b>44,900</b>	<b>52,136</b>	<b>55,667</b>
<b>Net expenditure</b>				
	<i>Original</i>	384,081		
	<i>Deferred surrender</i>	14,500		
	<i>Supplementary</i>	11,000		
			409,581	333,575



**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. €20 million of unspent allocations in respect of the capital elements of subhead B.14 Ukraine supports – community fund was carried forward to 2024 (note 6.4).

	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
Surplus	29,823,779	18,732,854
Deferred surrender	(20,000,000)	(14,500,000)
<b>Surplus to be surrendered</b>	<b>9,823,779</b>	<b>4,232,854</b>

**Mary Hurley**

Accounting Officer

Department of Rural and Community Development

27 March 2024

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2023

	2023	2022
	€000	€000
Programme cost	418,411	376,889
Pay	12,150	11,155
Non pay	1,332	1,198
<b>Gross expenditure</b>	<b>431,893</b>	<b>389,242</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>52,136</b>	<b>55,667</b>
<b>Net expenditure</b>	<b>379,757</b>	<b>333,575</b>
<b>Changes in capital assets</b>		
<b><i>Property, plant and equipment (note 2.1)</i></b>		
Purchases	(591)	
Depreciation	354	
Loss on disposals	4	
<b><i>Intangible assets (note 2.2)</i></b>		
Amortisation	2	
	(231)	(1,043)
<b>Changes in net current assets</b>		
Increase in prepayments	(490)	
Decrease in accrued income	1,462	
Increase in accrued expenses	407	
Increase in deferred income	779	
	2,158	7,892
<b>Direct expenditure</b>	<b>381,684</b>	<b>340,424</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	1,819	1,916
<b>Net programme cost</b>	<b>383,503</b>	<b>342,340</b>

**1.1 Net allied services expenditure**

The net allied services expenditure amount comprises the following amounts in relation to Vote 42 borne elsewhere.

		<b>2023</b>	<b>2022</b>
		<b>€000</b>	<b>€000</b>
Vote 12	Superannuation and Retired Allowances	184	194
Vote 13	Office of Public Works	866	1,107
Vote 18	National Shared Services Office	26	23
Vote 20	Garda Síochána	124	—
Vote 24	Justice	379	350
Vote 43	Office of the Government Chief Information Officer	240	242
		<b>1,819</b>	<b>1,916</b>

## Note 2 Statement of Financial Position as at 31 December 2023

	Note	2023 €000	2022 €000
<b>Fixed assets</b>			
Property, plant and equipment	2.1	11,629	11,398
Intangible assets	2.2	—	—
<b>Total fixed assets</b>		<b>11,629</b>	<b>11,398</b>
<b>Current assets</b>			
Bank and cash		19,509	15,545
Prepayments	2.3	7,838	7,348
Accrued income	2.4	29,116	30,578
Other debit balances	2.5	25	69
<b>Total current assets</b>		<b>56,488</b>	<b>53,540</b>
<b>Less current liabilities</b>			
Accrued expenses	2.6	546	139
Deferred Income	2.7	779	—
Other credit balances	2.8	1,280	1,111
Net Exchequer funding	2.9	18,254	14,503
<b>Total current liabilities</b>		<b>20,859</b>	<b>15,753</b>
<b>Net current assets</b>		<b>35,629</b>	<b>37,787</b>
<b>Net assets</b>		<b>47,258</b>	<b>49,185</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.10	<b>47,258</b>	<b>49,185</b>

**2.1 Property, plant and equipment <sup>a</sup>**

	<b>Buildings</b>	<b>Office and IT equipment</b>	<b>Furniture and fittings</b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Cost or valuation</b>				
At 1 January 2023	12,942	469	210	13,621
Additions	363	228	—	591
Disposals	—	(8)	—	(8)
At 31 December 2023	13,305	689	210	14,204
<b>Accumulated depreciation</b>				
At 1 January 2023	1,794	345	86	2,225
Depreciation for the year	265	68	21	354
Depreciation on disposals	—	(4)	—	(4)
At 31 December 2023	2,059	409	107	2,575
<b>Net assets</b>				
<b>At 31 December 2023</b>	<b>11,246</b>	<b>280</b>	<b>103</b>	<b>11,629</b>
At 31 December 2022	11,148	126	124	11,398

Note <sup>a</sup> With effect from 1 January 2023, software acquisition and development assets were reclassified from property, plant and equipment to intangible assets (see note 2.2)

**2.2 Intangible assets <sup>a</sup>**

	<b>Acquired and developed software</b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>
<b>Cost or valuation</b>		
At 1 January 2023	585	585
Additions	—	—
<b>At 31 December 2023</b>	<b>585</b>	<b>585</b>
<b>Accumulated amortisation</b>		
At 1 January 2023	583	583
Amortisation for the year	2	2
<b>At 31 December 2023</b>	<b>585</b>	<b>585</b>
<b>Net assets</b>		
<b>At 31 December 2023</b>	<b>—</b>	<b>—</b>
At 31 December 2022	2	2

Note <sup>a</sup> With effect from 1 January 2023, software acquisition and development assets were reclassified from property, plant and equipment (note 2.1).

**2.3 Prepayments**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Outdoor Recreation Infrastructure Scheme	38	296
Community Services Programme	5,921	3,792
Rural supports	961	2,171
Leader – rural economy sub programme	741	1,012
Administration	177	77
	<b>7,838</b>	<b>7,348</b>

**2.4 Accrued income**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
A.5 Leader – rural economy sub programme	5,727	8,083
A.7 Rural regeneration and development – outdoor recreation infrastructure scheme	4,660	5,350
B.8 Programme for Peace and Reconciliation	18,729	17,145
	<b>29,116</b>	<b>30,578</b>

**2.5 Other debit balances**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Travel pass schemes	20	22
Leader food initiative	—	46
Other debit suspense items	5	1
	<b>25</b>	<b>69</b>

**2.6 Accrued expenses**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
IT services and support	—	5
Specific programme accruals	528	110
Administration expenses	18	18
Other accruals	—	6
	<b>546</b>	<b>139</b>

**2.7 Deferred income**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
EU advance for the 2023-2027 LEADER Programme	779	—
	<b>779</b>	<b>—</b>

**2.8 Other credit balances**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
<b>Amounts due to the State</b>		
Income tax	232	221
Pay related social insurance	136	117
Professional services withholding tax	42	41
Value added tax	74	212
	<b>484</b>	<b>591</b>
Tidy Towns	654	449
Other	142	71
	<b>1,280</b>	<b>1,111</b>

**2.9 Net Exchequer funding**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	9,824	4,233
Deferred surrender	20,000	14,500
Exchequer grant undrawn	(11,570)	(4,230)
<b>Net Exchequer funding</b>	<b>18,254</b>	<b>14,503</b>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	19,509	15,545
Debit balances: suspense	25	69
	19,534	15,614
<b>Creditors</b>		
Credit balances: suspense	(1,280)	(1,111)
	<b>18,254</b>	<b>14,503</b>

**2.10 State funding account**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>€000</b>	<b>€000</b>
Balance at 1 January		49,185	56,034
Disbursements from the Vote			
Estimate provision	Account	409,581	
Deferred surrender		(20,000)	
Surplus to be surrendered	Account	(9,824)	
Net vote		379,757	333,575
Expenditure (cash) borne elsewhere	1.1	1,819	1,916
Net programme cost	1	(383,503)	(342,340)
<b>Balance at 31 December</b>		<b>47,258</b>	<b>49,185</b>



## 2.11 Commitments

<b>a) Global commitments</b>	<b>2023</b>	<b>2022</b>
at 31 December	€000	€000
Procurement of goods and services	—	156
Non-capital grant programmes <sup>a</sup>	231,701	140,543
Capital grant programmes	256,915	263,290
<b>Total of legally enforceable commitments</b>	<b>488,616</b>	<b>403,989</b>
<b>b) Non-capital grant programmes</b>	<b>2023</b>	<b>2022</b>
	€000	€000
Opening balance	140,699	109,106
Grants paid in the year	(181,059)	(182,062)
New grant commitments	272,061	213,655
<b>Closing balance</b>	<b>231,701</b>	<b>140,699</b>
<b>c) Capital grant programmes</b>	<b>2023</b>	<b>2022</b>
	€000	€000
Opening balance	263,290	244,996
Grants paid in the year	(186,847)	(186,868)
New grant commitments	180,472	205,162
<b>Closing balance</b>	<b>256,915</b>	<b>263,290</b>

Note <sup>a</sup> The increase in non-capital grant programmes relative to 2022 is mainly due to an increase in the commitments in the PEACE programme from €0.13 million to €76.8 million.

## 2.12 Contingent liabilities

The Department was involved in one legal case that concluded in 2024. The Department is liable to pay €88,286 in relation to costs and settlement of this case. Payment will be made in 2024.

### 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	12,897	12,150	11,155
ii	Travel and subsistence	410	334	265
iii	Training and development and incidental expenses	604	603	420
iv	Postal and telecommunications services	82	56	53
v	Office equipment and external IT services	302	228	199
vi	Office premises expenses	216	78	85
vii	Consultancy and value for money and policy reviews	121	—	120
viii	Research	101	33	56
		<b>14,733</b>	<b>13,482</b>	<b>12,353</b>

#### Significant variations

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

##### vi Office premises expenses

*Estimate provision €216,000; outturn €78,000*

The shortfall in expenditure of €138,000 relative to the estimate provision was due to expenditure on office premises and facilities in both Ballina and Trinity Point sites being less than anticipated due to delays in planned upgrades.

##### vii Consultancy and value for money and policy reviews

*Estimate provision €121,000; outturn €Nil*

This allocation is intended to cover the cost of consultancy for business units that do not have their own budget for this type of expenditure. In 2023, there was no requirement to draw from this subhead.

**Programme A Rural Development and Regional Affairs**

		<b>2023</b>		<b>2022</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
A.1	Administration – pay		7,477	6,804
A.2	Administration – non pay		981	748
A.3	Western Development Commission		2,382	2,355
A.4	Rural supports <sup>a</sup>			
	<i>Original</i>	32,207		
	<i>Supplementary</i>	16,000		
			48,207	46,316
A.5	Leader – rural economy sub programme			34,337
	<i>Original</i>	46,000		
	<i>Supplementary</i>	2,000		
			48,000	51,020
A.6	Regional economic development		3,380	2,716
A.7	Rural regeneration and development <sup>b</sup>			1,902
	<i>Original</i>	95,000		
	<i>Deferred surrender</i>	10,500		
	<i>Supplementary</i>	(24,475)		
			81,025	78,960
A.8	Islands			70,367
	<i>Original</i>	14,183		
	<i>Deferred surrender</i>	(500)		
			13,683	13,618
			<b>205,135</b>	<b>202,537</b>
				<b>181,384</b>

Notes <sup>a</sup> A.4 Rural supports includes the CLÁR programme, the Local Improvement Scheme (LIS) and the Walks Scheme.

<sup>b</sup> A.7 Rural regeneration and development consists of the Rural Regeneration and Development Fund (RRDF), the Town and Village Renewal Scheme (TVRS), and the Outdoor Recreation Infrastructure Scheme (ORIS).

**Significant variations**

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

**A.4 Rural supports**

*Estimate provision €32.207 million; outturn €46.316 million*

This subhead provides funding for a number of schemes including the Walks Scheme, CLÁR and Local Improvement Scheme (LIS), as well as some other initiatives supporting rural development. The increase in expenditure of €14.109 million relative to the estimate provision was largely due to additional demand under the LIS which was funded through a technical supplementary from savings elsewhere in the vote.

**A.5 Leader – rural economy sub programme**

*Estimate provision €46 million; outturn €51.02 million*

The increase in expenditure of €5.02 million relative to the estimate provision was due to Leader being a multi annual programme which is demand led. Delivery in 2023 exceeded anticipated levels as the programming period comes to conclusion. The increased resource was provided from savings elsewhere within the vote through a technical supplementary and €3.02 million through virements from A.4 Rural supports (€970,000), A.6 Regional economic development (€650,000), A.7 Rural regeneration and development (€1 million) and A.8 Islands (€400,000).

**A.6 Regional economic development**

*Estimate provision €3.38 million; outturn €2.716 million*

The shortfall in expenditure of €664,000 relative to the estimate provision was due to procurement of infrastructure to support the enhancement of services provided at broadband connection points not proceeding as planned in 2023. €650,000 of this saving was repurposed through a virement to meet demand under A.5 LEADER.

**A.7 Rural regeneration and development**

*Estimate provision €105.5 million; outturn €78.96 million*

The shortfall in expenditure of €26.54 million relative to the estimate provision was largely due to savings under the Rural Regeneration and Development Fund (RRDF) element of this subhead. Expenditure for RRDF projects was impacted by the continuing effect of the Covid 19 pandemic in terms of the pipeline of projects moving into construction state. Other issues such as the subsequent high demand for construction contractors has had an impact on timelines. In addition, inflationary cost increases have necessitated a detailed review of costs in some cases.

**Programme B Community Development**

		<b>2023</b>		<b>2022</b>
		<b>Estimate provision</b>		<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
B.1	Administration – pay		5,344	5,225
B.2	Administration – non pay		825	572
B.3	Supports for community and voluntary sector (part funded by the National Lottery)			
	<i>Original</i>	19,845		
	<i>Supplementary</i>	1,000		
			20,845	20,722
B.4	SICAP, local/regional development supports (part funded by the National Lottery)			33,774
	<i>Original</i>	53,266		
	<i>Supplementary</i>	12,000		
			65,266	65,252
B.5	Local community development committees (support)		2,405	2,391
B.6	Supports for disadvantaged communities		7,500	7,500
B.7	Dormant account measures		12,570	12,464
B.8	Programme for Peace and Reconciliation		6,967	6,967
B.9	Water Safety Ireland		1,424	1,545
B.10	Library development and archive service			1,389
	<i>Original</i>	7,731		
	<i>Supplementary</i>	(1,200)		
			6,531	6,312
B.11	Community Enhancement Programme			5,398
	<i>Original</i>	21,001		
	<i>Deferred surrender</i>	4,000		
	<i>Supplementary</i>	6,175		
			31,176	32,043
B.12	Community Services Programme		52,390	52,389
B.13	ESF social innovation supports		1,000	1,000
B.14	Ukraine supports – community fund		30,000	10,000
			<b>244,243</b>	<b>224,382</b>
				<b>203,566</b>

**Significant variations**

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

**B.4      SICAP, local/regional development supports**

*Estimate provision €53.266 million; outturn €65.252 million*

The increase of €11.986 million in expenditure relative to the original provision was met mainly through a €10 million substantive supplementary for work under the Social Inclusion and Community Activation Programme (SICAP) to support new arrivals from Ukraine. In addition, €2 million from A.7 Rural regeneration and development was repurposed through a technical supplementary to fund dog control work.

**B.9      Water Safety Ireland**

*Estimate provision: €1.424 million; outturn: €1.545 million*

The increase of €121,000 in expenditure relative to the original provision was caused by additional funding allocated to Water Safety Ireland (WSI) to meet a business case submitted in regard to educational programmes being developed by WSI.

**B.10    Library development and archive service**

*Estimate provision: €7.731 million; outturn: €6.312 million*

The shortfall in expenditure of €1.419 million relative to the estimate provision was due to profiled capital expenditure on a number of library projects that faced a challenging year in 2023, particularly with construction supply issues. Delays in the approval of My Open Library initiatives also contributed to a lower outturn figure than estimated.

**B.11    Community Enhancement Programme**

*Estimate provision: €25.001 million; outturn: €32.043 million*

The increase in expenditure of €7.042 million relative to the estimate provision was due to the significant demand for the Community Centre Investment Fund and the small capital grants scheme under this subhead. Funding was allocated from savings elsewhere in the vote through a technical supplementary and €0.87 million from A.7 Rural regeneration and development through a virement.

**B.14    Ukraine supports – Community Fund**

*Estimate provision: €30 million; outturn: €10 million*

The shortfall in expenditure of €20 million relative to the estimate provision was due to slow progress in completion of projects due to constraints in the construction sector. Funding of €20 million was carried forward for use in 2024.

**Programme C Charities Regulatory Authority**

		<b>2023</b>		<b>2022</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
C.1	Administration – pay	76	122	37
C.2	Administration – non pay	30	12	10
C.3	Charities Regularity Authority	4,987	4,840	4,244
C.4	Charities Appeal Tribunal	10	—	—
		<b>5,103</b>	<b>4,974</b>	<b>4,291</b>

**Significant variations**

There are no significant variations (more than +/- 5% and €100,000) for this programme area.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

		2023		2022
		Estimated	Realised	Realised
		€000	€000	€000
1	Leader – rural economy sub programme	27,229	33,858	32,577
2	Programme for Peace and Reconciliation	4,500	4,338	4,978
3	Dormant accounts – programme expenditure	12,570	12,465	12,302
4	Social Inclusion and Community Activation Programme	1	—	—
5	Receipts from additional superannuation contributions on public service remuneration	400	470	435
6	Miscellaneous contributions	200	1,005	5,375
<b>Total</b>		<b>44,900</b>	<b>52,136</b>	<b>55,667</b>

### Significant variations

The following outlines the reasons for significant variations in individual appropriations-in-aid headings (+/-5% and €100,000).

#### 1 Leader – rural economy sub programme

*Estimate €27.229 million; realised €33.858 million*

The excess receipts of €6.629 million were due to increased levels of payments under the EU Leader programme during 2023 which resulted in a corresponding increase in the level of EU receipts received by the Department.

#### 6 Miscellaneous contributions

*Estimate €200,000; realised €1.005 million*

The excess receipts of €805,000 for 2023 was mainly due to a number of refunds received in respect of grants issued in prior years, which had not been anticipated.

### 4.2 Extra receipts payable to the Exchequer

	2023	2022
	€000	€000
Balance at 1 January	16	16
Voluntary surrender of ministerial salaries	16	16
Pobal refund of Energy Support Scheme	8,085	—
Transferred to the Exchequer	(8,101)	(16)
<b>Balance at 31 December</b>	<b>16</b>	<b>16</b>



## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents at year end	2023	2022
Department	200	172
Agencies <sup>a</sup>	82	80
<b>Total</b>	<b>282</b>	<b>252</b>

Note <sup>a</sup> Comprises staffing of the following agencies: Charities Regulator, Western Development Commission and Water Safety Ireland.

### 5.2 Pay

Remuneration of Department staff	2023 €000	2022 €000
Pay	11,128	10,212
Higher, special or additional duties allowances	105	126
Overtime	19	23
Employer's PRSI	898	794
<b>Total pay <sup>a</sup></b>	<b>12,150</b>	<b>11,155</b>

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

#### Remuneration of agency staff

	2023 €000	2022 €000
Pay	4,718	4,541
Higher, special or additional duties allowances	45	25
Overtime	—	—
Employer's PRSI	481	458
<b>Total pay <sup>a</sup></b>	<b>5,244</b>	<b>5,024</b>

Note <sup>a</sup> The total pay figure is distributed across subheads A.3, B.9 and C.3.

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2023	2022
			€	€
<b>Department staff</b>				
Higher, special or additional duties allowances	13	2	31,807	24,941
Overtime	6	1	17,993	20,682
Extra remuneration in more than one category	1	1	20,840	25,682
<b>Agency staff</b>				
Higher, special or additional duties allowances	2	—	9,436	14,040

### 5.4 Department employee pay bands

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	116	113
60,000	69,999	26	22
70,000	79,999	14	13
80,000	89,999	16	15
90,000	99,999	9	8
100,000	109,999	6	2
110,000	119,999	6	7
120,000	129,999	3	—
130,000	139,999	—	1
140,000	149,999	—	1
150,000	159,999	1	1
160,000	169,999	—	1
170,000	179,999	2	—
180,000	189,999	—	—
190,000	199,999	—	—
200,000	209,999	—	—
210,000	219,999	1	—

**5.5 Payroll overpayments**

at 31 December	Number of recipients	2023 €	2022 €
Overpayments	15	19,857	12,313
Recovery plan in place	9	8,534	12,313

**5.6 Remuneration and benefits of Accounting Officer**

The Accounting Officers' remuneration for the financial year was as follows

	2023 €000	2022 €000
Mary Hurley	215	145
Kevin McCarthy	—	15
	<b>215</b>	<b>160</b>

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of Civil Service pre 95 pension scheme and her entitlements in that regard do not extend beyond the standard terms of that scheme.

## Note 6 Miscellaneous

### 6.1 National Lottery funding

		2023		2022
		Estimate	Outturn	Outturn
		€000	€000	€000
B.3	Supports for community and voluntary sector (part funded by the National Lottery)	15,628	12,999	14,902
B.4	SICAP local/regional development supports (part funded by the National Lottery)	2,797	2,734	2,890
		<b>18,425</b>	<b>15,733</b>	<b>17,792</b>

Note The schemes part-funded by National Lottery funding within the B.3 subhead are the Volunteering Supports, Scheme to Support National Organisations and the Senior Alert Scheme. The total outturn for these in 2023 was €5.763 million, €3.181 million and €7.055 million respectively. The Senior Alerts Scheme is also part funded by the Dormant Accounts Fund, given the level of demand for the scheme, and the outturn for both 2022 and 2023 includes €3 million which is funded through the Dormant Accounts Fund, with the remainder (i.e. €181,000 in 2023) part-funded by the National Lottery. The grants part-funded by National Lottery Funding within the B.4 sub-head are for work or projects that are outside of the Department's Social Inclusion and Community Activation Programme but within its ethos, with a focus on organisations that provide supports to those who are disadvantaged.

### 6.2 EU funding

Expenditure under subheads A.5 Leader – rural economy sub programme, B.4 SICAP local/regional development supports (part funded by the National Lottery), B.8 Programme for Peace and Reconciliation and B.13 ESF social innovation supports are co-financed by the EU.

### 6.3 Payments to Pobal

Pobal administers or supports a number of grant programmes on behalf of the Department. In 2023, the Department transferred amounts totalling €101.968 million to support these programmes as outlined below.

	2023	2022
	€000	€000
A.4 Rural supports	1,648	1,665
A.5 Leader – rural economy sub programme	2,248	834
A.6 Regional Economic Development	—	750
B.3 Supports for community and voluntary sector (part funded by the National Lottery)	10,233	19,528
B.4 SICAP, local regional development supports (part funded by the National Lottery)	2,596	1,798
B.6 Supports for disadvantaged communities	1,349	1,236
B.7 Dormant account measures	4,469	5,098
B.11 Community Enhancement Programme	26,035	14,936
B.12 Community Services Programme	52,390	46,670
B.13 ESF – social innovation supports	1,000	—
<b>Total <sup>a</sup></b>	<b>101,968</b>	<b>92,515</b>

Note <sup>a</sup> Pobal has identified amounts totalling €13.93 million which remain unspent in relation to 2023 payments from the Department (€22.843 million in 2022). In line with circular 13/2014, any such balances are taken into account when making subsequent payments to Pobal. These amounts exclude payments in respect of Pobal's administration costs related to services provided on behalf of the Department.

### 6.4 Deferred surrender

Deferred surrender comprises savings in 2023 of €20 million in capital expenditures in the following subheads that were carried over to 2024.

	€000
<b>Description of subhead:</b>	
B.14 Ukraine supports – community fund	20,000
	<b>20,000</b>

### 6.5 Write-offs

The following sums were written off in the year

	2023	2022
	€	€
Leader programme	116,013	—
Community services programme	22,421	—
	<b>138,434</b>	<b>—</b>

## 6.6 Compensation and legal costs

### Payments/costs paid by the Department in the year

	2023	2022
Number of cases	1 <sup>a</sup>	—
	€000	€000
Department's own legal costs	11	—
Payments by/on behalf of Department		
Compensation	43	—
Legal costs	10	—
<b>Total</b>	<b>64</b>	<b>—</b>

Note <sup>a</sup> Employee claim. The case was finalised in 2023, and all related costs were incurred in 2023.