

Appropriation Account 2020

Vote 5

Office of the Director of Public Prosecutions

Introduction

As Accounting Officer for Vote 5, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2020 for the salaries and expenses of the Office of the Director of Public Prosecutions.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2020, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €421,000 is liable for surrender to the Exchequer.

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

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform in Circular 22 of 2020, have been applied in the preparation of the account with the exceptions below.

Accrued general law expenses

Accrued general law expenses are calculated using one of the following criteria:

- Bills of cost received before 28 February of the following year are fully accrued regardless of whether or not they have been agreed and settled.
- Costs which have been awarded where the bill of costs has not been received by 28 February are accrued based on an estimate from the costs officer taking into account the complexity of proceedings and the duration of the case.

Accrued fees to counsel

Accrued fees to counsel expenses include a general provision for hearings that have not been reported to the Office within two months of the year end. The calculation is based on the average level of such fees that arose in the previous three years.

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 Office.

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

Shared services

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

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 Office.

Financial control environment

I confirm that a control environment containing the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

I confirm that a framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability, and in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Office
- 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 Office 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 Office is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Non-compliance with procurement rules

I confirm that the Office 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 Office complied with the guidelines with the exception of one contract (in excess of €25,000), totalling €96,795 (excluding VAT); details are set out below:

The contract in respect of cleaning services, had been awarded under a competitive process, but was extended beyond its original contract date. Following a new competitive process, a new contract was put in place in 2020.

The Office has provided details of 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 and Reform.

Risk and control framework

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

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

The risk register details the controls and actions needed to mitigate risks and assigns responsibility for 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 Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Office responsible for the development and maintenance of the internal financial control framework.

Covid-19 pandemic

The onset of the Covid-19 pandemic in early 2020 resulted in some changes to the working and control environment with remote and virtual working playing a major role in how the Office continued to discharge its functions. As a result, the Office introduced a number of procedural and control changes. Management assessed the risks posed by Covid-19 to the control environment and to the Office in general. The changes introduced have been reviewed by the Office's Audit Committee and are monitored by the Management Board on a regular basis. I confirm that the controls both existing and those introduced as a result of Covid-19 continue to be effective.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2020 that resulted in, or may result in, a material loss.

Barry Donoghue

Accounting Officer

Office of the Director of Public Prosecutions

31 March 2021

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 5 Office of the Director of Public Prosecutions

Opinion on the appropriation account

I have audited the appropriation account for Vote 5 Office of the Director of Public Prosecutions for the year ended 31 December 2020 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 5 Office of the Director of Public Prosecutions for the year ended 31 December 2020, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

Basis of opinion

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

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

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

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

I have nothing to report in that regard.

Seamus McCarthy

Comptroller and Auditor General

24 June 2021

Vote 5 Office of the Director of Public Prosecutions

Appropriation Account 2020

		2020	2019
	Estimate provision €000	Outturn €000	Outturn €000
Programme expenditure			
A Provision of prosecution service	44,813	44,248	43,090
Gross Expenditure	44,813	44,248	43,090
<i>Deduct</i>			
B Appropriations-in-aid	845	701	895
Net Expenditure	43,968	43,547	42,195

Surplus

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

	2020 €	2019 €
Surplus to be surrendered	421,070	613,809

Barry Donoghue
Accounting Officer
Office of the Director of Public Prosecutions

31 March 2021

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2020

	2020	2019
€000	€000	€000
Programme cost	25,098	25,152
Pay	16,029	15,211
Non pay	3,121	2,727
Gross expenditure	44,248	43,090
<i>Deduct</i>		
Appropriations-in-aid	701	895
Net expenditure	43,547	42,195
Changes in capital assets		
Purchases cash	(39)	
Depreciation	189	150
		5
Changes in net current assets		
Decrease in closing accruals	(1,488)	
Decrease in stock	9	
	(1,479)	753
Direct expenditure	42,218	42,953
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	2,069	2,638
Notional rents	2,025	2,025
Net programme cost	46,312	47,616

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 5 borne elsewhere.

	2020	2019
	€000	€000
Vote 12 Superannuation and Retired Allowances	1,257	1,904
Vote 13 Office of Public Works	587	508
Vote 18 National Shared Services Office	20	20
Vote 20 Garda Síochána	205	206
	2,069	2,638

Note 2 Statement of Financial Position as at 31 December 2020

	Note	2020 €000	2019 €000
Capital assets	2.1	398	549
Current assets			
Bank and cash	2.2	307	889
Stocks	2.3	153	162
Prepayments		213	161
Other debit balances	2.4	382	405
Total current assets		1,055	1,617
Less current liabilities			
Accrued expenses	2.5	2,001	3,437
Other credit balances	2.6	1,099	1,217
Net Exchequer funding	2.7	(410)	77
Total current liabilities		2,690	4,731
Net current liabilities		(1,635)	(3,114)
Net liabilities		(1,237)	(2,565)
Represented by:			
State funding account	2.8	(1,237)	(2,565)

2.1 Capital assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2020	3,575	582	4,157
Additions	39	—	39
Adjustments ^a	—	(35)	(35)
Disposals	(56)	(3)	(59)
Cost or valuation at 31 December 2020	3,558	544	4,102
Accumulated depreciation			
Opening balance at 1 January 2020	3,093	515	3,608
Depreciation for the year	181	8	189
Adjustments ^a	—	(34)	(34)
Depreciation on disposals	(56)	(3)	(59)
Cumulative depreciation at 31 December 2020	3,218	486	3,704
Net assets at 31 December 2020	340	58	398
Net assets at 31 December 2019	482	67	549

Note ^a The net adjustment of €1,000 relates to the correction of additions and disposals in previous years. This is reflected in the state funding account (see Note 2.8).

2.2 Bank and cash

at 31 December	2020 €000	2019 €000
PMG balance	283	888
Other bank account balance	24	1
	307	889

2.3 Stocks

at 31 December	2020 €000	2019 €000
Stationery	40	23
IT consumables	113	139
	153	162

2.4 Other debit balances

at 31 December	2020 €000	2019 €000
Other debit balances	382	405

2.5 Accrued expenses

at 31 December	2020	2019
	€000	€000
Counsel fees	1,095	2,035
General law expenses	829	1,313
Other expenses	77	89
	2,001	3,437

2.6 Other credit balances

at 31 December	2020	2019
	€000	€000
Amounts due to the State		
Income tax	537	585
Pay related social insurance	169	165
Professional services withholding tax	370	346
Value added tax	21	13
	1,097	1,109
Payroll deductions held in suspense	—	103
Other credit suspense items	2	5
	1,099	1,217

2.7 Net Exchequer funding

at 31 December	2020	2019
	€000	€000
Surplus to be surrendered	421	614
Exchequer grant undrawn	(831)	(537)
Net Exchequer funding	(410)	77

Represented by:**Debtors**

Bank and cash	307	889
Debit balances: suspense	382	405
	689	1,294

Creditors

Due to the State	(1,097)	(1,109)
Credit balances: suspense	(2)	(108)
	(1,099)	(1,217)

	(410)	77
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2.8 State funding account

	Note	2020	2019
		€000	€000
Balance at 1 January		(2,565)	(1,807)
Disbursements from the Vote			
Estimate provision	Account	43,968	
Surplus to be surrendered	Account	(421)	
Net vote		43,547	42,195
Expenditure (cash) borne elsewhere	1	2,069	2,638
Other (non-cash) items	2.1	(1)	—
Non cash expenditure – notional rent	1	2,025	2,025
Net programme cost	1	(46,312)	(47,616)
Balance at 31 December		(1,237)	(2,565)

2.9 Commitments

at 31 December	2020	2019
	€000	€000
Procurement of goods and services	50	328

In addition to the above, the Office had commitments in respect of legal fees at the end of the year, but the value of these commitments is difficult to estimate accurately, due to the inherent uncertainties and status of outstanding cases.

2.10 Matured liabilities

at 31 December	2020	2019
	€000	€000
Estimate of matured liabilities not discharged at year end	27	13

Note 3 Vote Expenditure

Analysis of administration expenditure

Administration expenditure set out below are included in Programme A to present complete programme costings.

		2020		2019
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	16,132	16,029	15,211
ii	Travel and subsistence	186	131	205
iii	Training and development and incidental expenses	1,165	1,026	1,077
iv	Postal and telecommunications services	210	190	227
v	Office equipment and external IT services	831	1,010	828
vi	Office premises expenses	908	740	359
vii	Consultancy services and value for money and policy reviews	37	24	31
		19,469	19,150	17,938

Programme A Provision of a Prosecution Service

		2020		2019
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	16,132	16,029	15,211
A.2	Administration – non pay	3,337	3,121	2,727
A.3	Fees to counsel	16,528	15,785	16,814
A.4	General law expenses	1,446	2,130	1,102
A.5	Local state solicitor service	7,370	7,183	7,236
		44,813	44,248	43,090

Significant variations

The following outlines the reasons for significant variations in programme expenditures (+/- 5% and €100,000). The only variation over 5% recorded in 2020 relates to an increase in general law expenses and is explained below:

A.4 General law expenses

Estimate provision €1.446 million; outturn €2.13 million

The 2020 provision for general law expenses was based on expenditure levels incurred in the preceding two years. However, because of the pandemic, some solicitor firms had greater time to devote to processing old cost cases. This resulted in more cost cases being finalised in 2020 than in the preceding two years.

Note 4 Receipts

4.1 Appropriations-in-aid

		2020		2019
		Estimated	Realised	Realised
		€000	€000	€000
1	Receipts from additional superannuation contributions deductions on public service remuneration	717	666	708
2	Miscellaneous	128	35	187
Total		845	701	895

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2020	2019
Number of staff at year end	209	205 ^a

Note ^a Following a review, the number of staff at year end 2019 has been revised.

5.2 Pay

	2020	2019
	€000	€000
Pay	14,623	13,863
Higher, special or additional duties allowances	113	156
Overtime	1	6
Employer's PRSI	1,292	1,186
Total pay	16,029	15,211

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2020	2019
			€	€
Higher, special or additional duties allowances	39	4	41,592	41,592
Overtime and extra attendance	2	—	506	1,537
Extra remuneration in more than one category	—	—	—	—

5.4 Other remuneration arrangements

This account includes expenditure of €153,201 (2019: €151,382) in respect of one officer who was serving outside the Office in 2020 and whose salary was paid from Subhead A.1.

5.5 Payroll overpayments

	Number of recipients	2020	2019
		€	€
Overpayments	11	15,020	21,885
Recovery plans in place	4	1,562	5,385