

Appropriation Account 2016

Vote 41

Policing Authority

Introduction

As Accounting Officer for Vote 41, 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 2016 for the salaries and expenses of the Policing Authority.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2016, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €1.56 million is liable for surrender to the Exchequer.

The statement of accounting policies and principles and notes 1 to 5 form part of the account.

Establishment of the Vote

The Policing Authority was established on 1 January 2016. It comprises the Chairperson and eight members.

The Authority was established by the enactment of the Garda Síochána (Policing Authority and Miscellaneous Provisions) Act 2015 which amended the Garda Síochána Act 2005. The role of the Authority is to oversee the performance by the Garda Síochána of its functions relating to policing services. The Act provides that, in doing so, the Authority shall:

- set priorities and performance targets for the Garda Síochána
- approve a strategy statement and annual policing plan submitted by the Garda Commissioner
- keep under review
 - the performance by the Garda Síochána of its functions
 - the arrangements and strategies in place to support and enhance the performance of those functions
 - the adequacy of
 - the corporate governance arrangements and structures within the Garda Síochána
 - the arrangements for the recruitment, training and development of the members and members of the civilian staff of the Garda Síochána
 - the mechanisms in place within the Garda Síochána for the measurement of performance and accountability of such members and staff and
 - the arrangements for managing and deploying the resources available to the Garda Síochána so as to ensure the most beneficial, effective and efficient use of those resources
- hold so many meetings with the Garda Commissioner as are necessary for the performance of its functions, at least four of which may be attended by the public and the media be permitted to broadcast each year
- nominate persons for appointment by the Government to the posts of Garda Commissioner and Deputy Garda Commissioner following a selection process undertaken by the Public Appointments Service, and recommending their removal in certain circumstances

- appoint persons to the ranks of Garda Superintendent, Chief Superintendent and Assistant Commissioner (and remove them for reasons related to policing services)
- appoint the civilian staff of the Garda Síochána of grades equivalent to or above that of Chief Superintendent
- establish a Garda code of ethics within 12 months of the establishment of the Authority
- issue guidelines to local authorities and the Garda Commissioner concerning the establishment and maintenance of joint policing committees (JPCs) and convening meetings of JPC chairpersons for the purpose of coordinating or facilitating the performance of their functions
- promote the policing principles and public awareness of matters relating to policing services and supporting the continuous improvement of policing in the State
 -
- keep itself generally informed as to:
 - complaints made against members of the Garda Síochána and the application of the disciplinary regulations and
 - trends and patterns in crimes committed
- undertake, commission or assist in research projects in respect of matters relating to policing services, which in the opinion of the Authority, may:
 - promote an improvement in standards for those matters and public awareness of them or
 - contribute to a reduction in the number of complaints against members of the Garda Síochána in relation to those matters
- monitor and assess measures taken by the Garda Síochána in relation to recommendations made in a report of the Garda Síochána Inspectorate.

The Authority comprises nine members. In addition, four subcommittees of the Board dealing with appointments, audit and risk, ethics and strategy and performance meet monthly. The Authority is supported by the Executive.

In 2015, the Department of Justice and Equality subhead A11 provided grant funding of all pay and non-pay administrative costs involved in preparation for the establishment of the Policing Authority. 2016 represents the first year of operation for the Policing Authority and is the first year the Policing Authority has been a separate Vote. Prior year comparative figures are not included in the account.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts have been applied in the preparation of the account.

Statement on Internal Financial Control

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Policing Authority.

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.

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
- an audit committee to advise me in discharging my responsibilities for the internal financial control system in the Policing Authority was established during 2016 and met on 2 occasions during the year.

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
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines
- the Authority 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 Authority complied with the guidelines
- while a formal risk management system, including a risk register was not in place in the Authority in 2016, the Authority identified and carried out a high level assessment of the principal risks as part of its strategic planning in 2016 and risk is addressed in the context of all significant Authority decisions. Arrangements are underway to establish a formal risk management system in 2017.

Internal Audit

An internal audit function for the Authority was not in place during 2016 due to the low level of expenditure and staff resources during the establishment phase of the organisation. A procurement process was undertaken in late 2016 and a contract put in place in January 2017 to outsource the internal audit function. Since then an internal audit charter has been put in place and a 3-year internal audit work programme has been drafted.

Shared Services

I have fulfilled my responsibilities in relation to the requirements of the service level agreement between this office and the Department of Justice and Equality for the provision of financial shared services. I rely on a letter of assurance from the Accounting Officer of the Department of Justice and Equality that the appropriate controls are exercised in the provision of shared services to this office.

Employees of the Policing Authority continue to be paid through the Justice and Equality Vote with a recoupment process in place. This arrangement is necessary to ensure a payroll service is provided pending the Policing Authority becoming a separate client organisation of the Payroll Shared Services Centre (Shared Services Vote).

Helen Hall
Accounting Officer
Policing Authority

2 March 2017

Comptroller and Auditor General

Report for presentation to Houses of the Oireachtas

Vote 41 Policing Authority

I have audited the appropriation account for Vote 41 Policing Authority for the year ended 31 December 2016 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, and in accordance with standard accounting policies and principles for appropriation accounts.

Responsibility of the Accounting Officer

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under her control, for the efficiency and economy of administration in the Policing Authority and for the regularity and propriety of all transactions in the appropriation account.

Responsibility 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 accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare each year, a report on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

Scope of audit

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

Opinion on the appropriation account

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 41 Policing Authority for the year ended 31 December 2016.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, adequate accounting records have been kept by the Policing Authority. The appropriation account is in agreement with the accounting records.

Seamus McCarthy
Comptroller and Auditor General

24 September 2017

Vote 41 Policing Authority Appropriation Account 2016

	2016	
	Estimate provision	Outturn
	€000	€000
Programme expenditure		
A. Provision of independent oversight of the policing functions of the Garda Síochána	2,700	1,106
Gross expenditure	2,700	1,106
<i>Deduct</i>		
B Appropriations-in-aid	60	31
Net expenditure	2,640	1,075

Surplus for surrender

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

	2016
	€
Surplus to be surrendered	€1,564,883

Analysis of administration expenditure

	2016	
	Estimate provision	Outturn
	€000	€000
i Salaries, wages and allowances	1,700	680
ii Travel and subsistence	50	3
iii Training and development and incidental expenses	685	275
iv Postal and telecommunications services	50	8
v Office equipment and external IT services	125	98
vi Office premises expenses	80	41
vii Consultancy services and value for money and policy reviews	10	1
	2,700	1,106

Notes to the Appropriation Account

1 Operating Cost Statement 2016

	2016	
	€000	€000
Administration pay		680
Administration non-pay		426
Gross expenditure		1,106
<i>Deduct</i>		
Appropriations-in-aid		31
Net expenditure		1,075
Changes in capital assets		
Purchases cash	(7)	
Depreciation	4	
		(3)
Changes in net current assets		
Increase in prepayments	(46)	
Increase in stock	(6)	
		(52)
Direct expenditure		1,020
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)		235
Net programme cost		1,255

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 41 borne elsewhere.

	2016
	€000
Vote 13 Office of Public Works	203
Vote 24 Justice and Equality	32
	235

2 Balance Sheet as at 31 December 2016

	Note	2016 €000
Capital assets	2.2	9
Current assets		
Bank and cash	2.3	2
Stocks	2.4	6
Prepayments		71
Total current assets		79
Less current liabilities		
Accrued expenses		25
Other credit balances	2.5	2
Total current liabilities		27
Net current assets		52
Net assets		61
Represented by:		
State funding account	2.1	61

2.1 State Funding Account	Note	2016 €000	2016 €000
Disbursements from the Vote			
Estimate provision	Account	2,640	
Surplus to be surrendered	Account	(1,565)	
Net vote			1,075
Expenditure (cash) borne elsewhere	1.1		235
Net programme cost	1		(1,255)
Transfer of assets	2.2		6
Balance at 31 December			61

2.2 Capital Assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2016	—	—	—
Additions	5	2	7
Transferred in*	—	28	28
Cost or valuation at 31 December 2016	<u>5</u>	<u>30</u>	<u>35</u>
Accumulated depreciation			
Opening balance at 1 January 2016	—	—	—
Depreciation for the year	1	3	4
Depreciation on transferred assets*	—	22	22
Cumulative depreciation at 31 December 2016	<u>1</u>	<u>25</u>	<u>26</u>
Net assets at 31 December 2016	<u>4</u>	<u>5</u>	<u>9</u>

* The assets transferred in were furniture received from the Office of the Director of Public Prosecutions (Vote 5) who previously occupied the premises now used by the Policing Authority.

2.3 Bank and Cash

	2016 €000
at 31 December	—
PMG balances and cash	<u>2</u>

2.4 Stocks

	2016 €000
at 31 December	—
IT consumables and stationery	<u>6</u>

2.5 Other Credit Balances

	2016 €000
at 31 December	—
Amounts due to the State	—
VAT on foreign invoices	<u>2</u>

2.6 Net liability from the Exchequer **2016**
at 31 December **€000**

Surplus to be surrendered	1,565
Exchequer grant undrawn	<u>(1,565)</u>
Net Exchequer funding due	<u><u>—</u></u>

Represented by:

Debtors

Bank and cash	<u>2</u>
	2

Creditors

Due to State	<u>(2)</u>
	(2)

—

2.7 Commitments **2016**
at 31 December **€000**

a) Global Commitments

Procurement of goods and services	<u>4</u>
Total of legally enforceable commitments	<u><u>4</u></u>

3 Programme Expenditure by Subhead

		2016	
		Estimate provision	Outturn
		€000	€000
A	Provision of independent oversight of the policing functions of the Garda Síochána		
A.1	Administration – pay	1,700	680
A.2	Administration - non pay	1,000	426
		2,700	1,106
		2,700	1,106

Significant Variations

Overall, the expenditure in relation to the Programme was €1.6 million lower than provided. This was mainly due to the following:

Description	Less than provided	Explanation
Administration– pay	1,020	Savings were achieved due to longer than expected timelines to recruit and appoint staff members that resulted in only 14 of the total staff complement of 35 being in place by year end.
Administration– non pay	574	<p>Savings were achieved due to the date of establishment of the Authority with certain activities taking place later in 2016 than had been anticipated. In addition, the gradual filling of staff positions resulted in lower administration costs as a significant number of posts remained vacant in 2016.</p> <p>Due to the gradual recruitment of staff some of the activities originally forecast for 2016 did not occur, resulting in savings in costs including legal fees, contractors' fees, publication costs and recruitment expenses. An outsourced internal audit contract was put in place later than anticipated and therefore the anticipated cost of internal audit services did not arise during 2016.</p> <p>There was an underspend on staff training and development and on travel and subsistence as the staff were not in place to undertake the anticipated level of activities and of related training and development.</p> <p>The amount spent on office equipment, consumables and external IT support services was less than anticipated as this expenditure is directly related to the number of staff in place.</p>

4 Receipts

4.1 Appropriations-in-aid	2016	
	Estimated €000	Realised €000
Receipts from pension-related deductions on public service remuneration	60	31

5 Employee Numbers and Pay

Number of staff at year end (full time equivalents)	2016 14
	2016 €000
Pay	618
Higher, special or additional duties allowance	6
Employer's PRSI	56
Total pay	680

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2016 €
Higher, special or additional duties	1	—	5,636

5.2 Authority members fees and expenses

There are nine members of the Authority, including the Chairperson. Fees totalling €185,000 were paid during 2016. The Authority met in plenary a total of 13 times (5 in public) and a total of 32 subcommittee meetings were held. Expenses paid to the Authority's board members in 2016 were €7,867. The fees and expenses were charged to subhead A2 (iii).

5.3 Payroll Overpayments

Overpayments at the year end were €1,419 (2 cases). Of this, €245 (1 case) has a recovery plan in place.