

**Appropriation Account 2016**

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**Vote 28**

**Foreign Affairs and Trade**

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## 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 2016 for the salaries and expenses of the Office of the Minister for Foreign Affairs and Trade, and for certain services administered by that Office, including grants and contributions to International Organisations.

The expenditure outturn is compared with the sum:

(a) 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, and

(b) provided for capital supply services in 2016 out of unspent 2015 appropriations under the deferred surrender arrangements established by sections 91 of the Finance Act 2004

A surplus of €8.71 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 have been applied in the preparation of the account except for the following:

### ***Foreign currency transactions***

Transactions arising in foreign currencies are translated into Euro at the market rate of exchange prevailing at the beginning of the month.

### ***Accruals, prepayments, commitments and stocks at diplomatic missions***

The accruals, prepayments and commitments figures do not include amounts in respect of the Department's diplomatic missions other than those relating to property rental. The value of stock held by missions at year end is also not included.

### ***Commitments***

Commitments include those amounts for which the Department may be legally liable in 2017 and subsequent years under binding enforceable contracts.

### ***Capital assets***

The value of land and buildings included in capital assets is based on a valuation conducted in 2005 except for

- land and buildings acquired since 2005 which are valued at cost
- three embassy premises that are included on the basis of a professional valuation conducted in 2011.

## **Statement on Internal Financial Control**

### ***Responsibility for system of internal financial control***

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

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

### ***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.

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

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

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- A risk management system operates within the Department.
- There are systems aimed at ensuring the security of the ICT systems.
- There are appropriate capital investment control guidelines and formal project management disciplines.
- 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 procurement guidelines. The Department is compliant with these guidelines with the exception of 3 contracts to the value of €197,413. These contracts were extended beyond the original contract date without a new competitive process. A further 8 contracts with a value of €507,859 were entered into without a competitive process taking place. The contracts were not tendered as 2 related to provision of proprietary ICT services (€235,001) and 6 related to situations where there was a single suitable supplier available (€272,858). These contracts will be reviewed by my Department's procurement team during 2017.

***Fixed asset register***

The Department has been working on a project to update its capital asset register.

Historically, capital funding was provided to the Department via Vote 28 Foreign Affairs and Trade. A separate capital allocation was not provided to Vote 27 International Co-operation until 2002. Consequently there are a number of assets included in the fixed assets of Vote 28 Foreign Affairs and Trade which are attributable to Vote 27 International Co-operation. The Department is undertaking a review of the assets in Vote 28 Foreign Affairs and Trade with a view to transferring relevant assets to Vote 27 International Co-operation in 2017.

***Internal Audit and Audit Committee***

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Department is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

***Shared services***

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

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

**Niall Burgess**

Accounting Officer  
Department of Foreign Affairs and Trade

26 September 2017

## **Comptroller and Auditor General**

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

#### **Vote 28 Foreign Affairs and Trade**

I have audited the appropriation account for Vote 28 Foreign Affairs and Trade 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 his control, for the efficiency and economy of administration by his Department 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 28 Foreign Affairs and Trade 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 Department of Foreign Affairs and Trade. The appropriation account is in agreement with the accounting records.

**Seamus McCarthy**  
Comptroller and Auditor General

27 September 2017

## Vote 28 Foreign Affairs and Trade Appropriation Account 2016

		2016		2015
		Estimate provision		Outturn
		€000	€000	€000
<b>Programme expenditure</b>				
A	To Serve Our People At Home And Abroad And To Promote Reconciliation And Co-Operation			
	<i>Current year provision</i>	67,273		
	<i>Supplementary</i>	801		
	<i>Deferred surrender</i>	475	68,549	65,359
B	To Work For A Fairer More Just Secure And Sustainable World			68,686
	<i>Current year provision</i>	56,849		
	<i>Supplementary</i>	3,586	60,435	60,385
C	To Advance Our Prosperity By Promoting Our Economic Interests Internationally			54,792
	<i>Current year provision</i>	27,589		
	<i>Supplementary</i>	614	28,203	28,088
D	To Protect And Advance Ireland's Values And Interests In Europe		19,291	19,483
E	To Strengthen Our Influence And Our Capacity To Deliver Our Goals		41,009	42,109
				39,655
<b>Gross expenditure</b>				
	<i>Current year provision</i>	212,011		
	<i>Supplementary</i>	5,001		
	<i>Deferred surrender</i>	475	217,487	215,424
	<i>Deduct</i>			
F	<b>Appropriations-in-aid</b>			
	<i>Original</i>	45,253		
	<i>Supplementary</i>	5,000	50,253	56,903
				51,482
<b>Net expenditure</b>				
	<i>Current year provision</i>	166,758		
	<i>Supplementary</i>	1		
	<i>Deferred surrender</i>	475		
			167,234	158,521
				157,425

**Surplus for surrender**

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.

	<b>2016</b>	<b>2015</b>
	€	€
Surplus	8,713,785	7,533,377
Deferred surrender	—	(475,000)
Surplus to be surrendered	<u>8,713,785</u>	<u>7,058,377</u>

**Analysis of administration expenditure**

		<b>2016</b>	<b>2015</b>
		<b>Estimate provision</b>	<b>Outturn</b>
		€000	€000
i	Salaries, wages and allowances	78,858	78,959
ii	Travel and subsistence	5,144	5,255
iii	Training and development and incidental expenses	4,047	3,993
iv	Postal and telecommunications services	5,786	5,899
v	Office equipment and external IT services		
	<i>Current year provision</i>	20,129	
	<i>Supplementary</i>	801	
	<i>Deferred surrender</i>	475	
		<u>21,405</u>	<u>24,140</u>
vi	Office premises expenses	25,119	23,310
vii	Consultancy services and value for money and policy reviews	100	2
viii	Foreign representation and accommodation expenses	10,525	11,406
		<u>150,984</u>	<u>152,964</u>
			<u>145,771</u>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2016

	2016	2015
	€000	€000
Programme cost	62,460	63,136
Pay	78,959	77,258
Non pay	74,005	68,513
<b>Gross expenditure</b>	<b>215,424</b>	<b>208,907</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>56,903</b>	<b>51,482</b>
<b>Net expenditure</b>	<b>158,521</b>	<b>157,425</b>
<b>Changes in capital assets</b>		
Purchases cash	(5,705)	
Disposal cash	71	
Gain on disposal	(65)	
Depreciation	4,108	
	(1,591)	729
<b>Changes in net current assets</b>		
Decrease in closing accruals	(6,078)	
Increase in stock	(3,126)	
	(9,204)	5,707
<b>Direct expenditure</b>	<b>147,726</b>	<b>163,861</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	21,836	17,702
Notional rents	2,422	1,716
<b>Net programme cost</b>	<b>171,984</b>	<b>183,279</b>

#### 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.

	2016	2015
	€000	€000
Vote 9 Office of the Revenue Commissioners	e 60	60
Vote 12 Superannuation and Retired Allowances	e 12,642	11,959
Vote 13 Office of Public Works	e 8,680	5,100
Vote 18 National Shared Services Office	e 78	—
Vote 20 Garda Síochána	e —	91
Central Fund – Ministerial pensions	e 376	492
	<u>21,836</u>	<u>17,702</u>

“e” indicates that the number is an estimate value or an apportioned cost.

## 2 Balance Sheet as at 31 December 2016

	Note	2016 €000	2015 €000
<b>Capital assets</b>	2.2	166,861	165,269
<b>Current assets</b>			
Stocks	2.4	7,362	4,236
Prepayments		11,038	5,308
Other debit balances	2.5	4,656	3,379
Bank and cash	2.3	1,486	1,904
<b>Total current assets</b>		<b>24,542</b>	<b>14,827</b>
<b>Less current liabilities</b>			
Accrued expenses		674	1,021
Other credit balances	2.6	2,748	422
Net liability to the Exchequer	2.7	3,348	4,786
Cultural relations with other countries (grant)	6.2	46	75
<b>Total current liabilities</b>		<b>6,816</b>	<b>6,304</b>
<b>Net current assets</b>		<b>17,726</b>	<b>8,523</b>
<b>Net assets</b>		<b>184,587</b>	<b>173,792</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>184,587</b>	<b>173,792</b>

2.1 State Funding Account	Note	2016 €000	2015 €000
Balance at 1 January		173,792	180,228
Disbursements from the Vote			
Estimate provision	Account	167,234	
Surplus to be surrendered	Account	(8,713)	
Net vote		158,521	157,425
Expenditure (cash) borne elsewhere	1	21,836	17,702
Non cash expenditure – notional rent	1	2,422	1,716
Net programme cost	1	(171,984)	(183,279)
<b>Balance at 31 December</b>		<b>184,587</b>	<b>173,792</b>

**2.2 Capital Assets**

	Land and buildings €000	Motor Vehicles €000	Furniture and fittings €000	Office equipment €000	Total €000
<b>Gross assets</b>					
Cost or valuation at 1 January 2016	156,544	3,304	48,766	66,811	275,425
Additions	—	396	106	5,203	5,705
Disposals	—	(458)	—	(3)	(461)
Cost or valuation at 31 December 2016	156,544	3,242	48,872	72,011	280,669
<b>Accumulated depreciation</b>					
Opening balance at 1 January 2016	—	2,466	46,543	61,147	110,156
Depreciation for the year	—	337	851	2,920	4,108
Depreciation on disposals	—	(453)	—	(3)	(456)
Cumulative depreciation at 31 December 2016	—	2,350	47,394	64,064	113,808
<b>Net assets at 31 December 2016</b>	<b>156,544</b>	<b>892</b>	<b>1,478</b>	<b>7,947</b>	<b>166,861</b>
<b>Net assets at 31 December 2015</b>	<b>156,544</b>	<b>838</b>	<b>2,223</b>	<b>5,664</b>	<b>165,269</b>

**2.3 Banks and Cash**

	2016 €000	2015 €000
at 31 December		
Mission and headquarter accounts	9,801	8,714
PMG balances and cash	(8,315)	(6,810)
	1,486	1,904

**2.4 Stocks**

	2016 €000	2015 €000
at 31 December		
Passport books and cards	6,758	3,495
Protocol stocks	74	80
Stationery	472	586
Prepaid postage	8	4
IT consumables	50	71
	7,362	4,236

**2.5 Other Debit Balances**

	2016 €000	2015 €000
at 31 December		
Departmental and agency accounts	2,860	1,024
Imprest and personal suspense accounts	1,125	1,068
Foreign salary advance accounts	159	201
Miscellaneous	512	1,086
	4,656	3,379

Miscellaneous debtors include honorary consul debtors, payroll control accounts and other small balances.

<b>2.6 Other Credit Balances</b>	<b>2016</b>	<b>2015</b>
at 31 December	€000	€000
Amounts due to the State		
Income Tax	1,378	1
Pay Related Social Insurance	647	—
Pension contributions	—	232
Value Added Tax	36	26
Professional Services Withholding Tax	47	69
	<u>2,108</u>	<u>328</u>
Miscellaneous	640	94
	<u>2,748</u>	<u>422</u>

Miscellaneous creditors include third party creditors, amounts owed to other Government Departments and payroll control accounts.

<b>2.7 Net Liability to the Exchequer</b>	<b>2016</b>	<b>2015</b>
at 31 December	€000	€000
Surplus to be surrendered	8,713	7,058
Deferred surrender	—	475
Exchequer grant undrawn	(5,365)	(2,747)
Net liability to the Exchequer	<u>3,348</u>	<u>4,786</u>

**Represented by:**

**Debtors**

Debit balances: suspense	4,656	3,379
Bank and cash	1,486	1,904
	<u>6,142</u>	<u>5,283</u>

**Creditors**

Due to State	(2,108)	(328)
Credit balances: suspense	(640)	(94)
Credit balances: grant accounts	(46)	(75)
	<u>(2,794)</u>	<u>(497)</u>
	<u>3,348</u>	<u>4,786</u>

**2.8 Commitments**

Commitments include those amounts for which the Department may be legally liable in 2017 and subsequent years under binding enforceable contracts and relate to property rental payments abroad, printing of passport booklets and other administrative commitments.

at 31 December	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>

The amount is analysed as follows

(i)	Passport office and other administrative costs	3,180	6,542
(ii)	Property rental payment abroad		
	Within one year	4,841	4,947
	Between two and five years	5,888	6,069
	Five years and over	2,355	2,385
	Total commitments	<u>16,264</u>	<u>19,943</u>

Property rental commitments made under the terms of the property lease agreements are offset by prepayments. Prepaid rents amounted to €1.394 million (2015: €1.12 million).

### 3 Programme Expenditure by Subhead

		2016		2015
		Estimate	Outturn	Outturn
		provision		
		€000	€000	€000
<b>A</b>	<b>Our People</b>			
A.1	Administration - pay	21,292	21,319	20,860
A.2	Administration - non pay			
	<i>Current year provision</i>	28,066		
	<i>Supplementary</i>	801		
	<i>Deferred Surrender</i>	475		
		29,342	29,316	27,140
A.3	Cultural Relations With Other Countries	846	846	846
A.4	Emergency Consular Assistance	79	15	3
A.5	Support For Irish Emigrant Services	11,595	10,606	11,843
A.6	North-South And Anglo-Irish Co-Operation	2,745	3,257	5,344
A.7	International fund For Ireland	2,650	—	2,650
		68,549	65,359	68,686

#### Explanation of significant variations

Overall, the gross expenditure in relation to Programme A was €3.2 million lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided	Explanation
	€000	
Administration non – pay	(775)	General increase in Passport Service operating costs to meet significant increase in demand for passports. A supplementary estimate provision was granted to cover the additional cost.
Support for Irish Emigrant Services	989	The saving arose from the timing of some grant payments and of foreign exchange gains realised over the year.
North-South and Anglo-Irish Co-Operation	(512)	Additional grants were made available as part of the 1916 commemorations programme.
International Fund for Ireland	2,650	The operating environment of the IFI did not require the disbursement of the grant in 2016.

		2016		2015
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>B</b>	<b>Our Values</b>			
B.1	Administration – pay	11,040	11,054	10,816
B.2	Administration – non pay	5,349	5,587	5,173
B.3	Contributions To International Organisations			
	<i>Original</i>	40,460		
	<i>Supplementary</i>	<u>3,586</u>	44,046	43,744
			<u>60,435</u>	<u>60,385</u>
				<u>54,792</u>

**Explanation of significant variations**

Overall, the gross expenditure in relation to Programme B was €0.1 million lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided €000	Explanation
Administration – non pay	(238)	General increase in operating costs in 2016.
Contributions to international organisations	(3,284)	The 2016 contribution assessment received in the second half of year from the UN was larger than expected. A supplementary estimate provision was granted to cover the additional cost.

		2016		2015
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>C</b>	<b>Our Prosperity</b>			
C.1	Administration – pay	16,560	16,581	16,224
C.2	Administration – non pay	8,021	8,379	7,756
C.3	Trade Promotion Funds	480	345	284
C.4	Contributions To National And International Organisations			
	<i>Original</i>	2,528		
	<i>Supplementary</i>	614	3,142	2,783
			28,203	28,088
				26,927

#### Explanation of significant variations

Overall, the gross expenditure in relation to Programme C was €0.1 million lower than provided. This was mainly due to the following:

Description	Less/ (more) than provided	Explanation
	€000	
Administration – non pay	(358)	General increase in operating costs in 2016.
Trade promotion funds	135	Delayed spend by the joint economic commission.
Contributions to national and international organisations	(255)	The payment contributions to international organisations were more than anticipated at the time the budget was set. The supplementary estimate was granted to cover the cost.

	2016		2015
	Estimate provision	Outturn	Outturn
	€000	€000	€000
<b>D Our Place in Europe</b>			
D.1 Administration - pay	14,194	14,213	13,906
D.2 Administration - non pay	4,679	4,887	4,525
D.3 Actions consequent on Title V of the Treaty of European Union	418	383	416
	19,291	19,483	18,847

**Explanation of significant variations**

Overall, the gross expenditure in relation to Programme D was €0.2 million higher than provided. This was mainly due to the following:

Description	Less/ (more) than provided	Explanation
	€000	
Administration - non pay	(208)	General increase in operating costs in 2016.

	2016		2015
	Estimate provision	Outturn	Outturn
	€000	€000	€000
<b>E Our Influence</b>			
E.1 Administration - pay	15,772	15,792	15,452
E.2 Administration - non pay	24,735	25,836	23,919
E.3 Information services	502	481	284
	41,009	42,109	39,655

**Explanation of significant variations**

Overall, the gross expenditure in relation to Programme E was €1.1 million higher than provided. This was mainly due to the following:

Description	Less/ (more) than provided	Explanation
	€000	
Administration - non pay	(1,101)	General increase in departmental operating costs in 2016.

## 4 Receipts

4.1 Appropriations-in-aid		2016		2015
		Estimated	Realised	Realised
		€000	€000	€000
1.	Passport, visa and other consular services			
	<i>Original</i>	41,020		
	<i>Supplementary</i>	5,000		
		46,020	53,370	47,271
2.	Repayment of repatriation and maintenance advances	30	2	2
3.	VAT refunds to diplomatic missions	750	909	739
4.	Miscellaneous	500	271	443
5.	Receipts from pension-related deduction on public service remuneration	2,953	2,351	3,027
	<b>Total</b>	<b>50,253</b>	<b>56,903</b>	<b>51,482</b>

### Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%. Overall, the appropriation-in-aid income was €6.65 million more than provided. This was mainly due to the following:

Description	Less/ (more) than provided	Explanation
	€000	
Passport, visa and other consular services	(12,350)	Income was ahead by €12.35 million due to the significant increase in passport applications. As the passport service is a demand led service it is difficult to project with certainty the level of applications or application mix that will be received in any given year. Significant international political factors affected application numbers in late 2016.
Receipts from pension-related deduction on public service remuneration	602	Pension related deductions were lower arising from adjustments made to restore pay as part of the national pay agreements.
VAT refunds to diplomatic missions.	(159)	There were additional VAT refunds made during the year.

## 5 Employee Numbers and Pay

	2016	2015
<b>Number of staff at year end</b> (full time equivalents)	1,287	1,202
	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>
Pay	71,504	70,785
Higher, special or additional duties allowance	183	176
Other allowances	174	164
Overtime	866	727
Employer's PRSI	3,465	3,260
Foreign social security/health insurance (missions)	2,767	2,146
<b>Total Pay</b>	<b>78,959</b>	<b>77,258</b>

### 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2016 €	Maximum individual payment 2015 €
Higher, special or additional duties	50	5	19,828	16,211
Other allowances	98	—	9,044	8,080
Overtime	365	17	30,345	32,781
Extra remuneration in more than one category	81	21	35,913	36,567

### 5.2 Other Remuneration Arrangements

Payments totalling €35,789 (2015: €14,738) were paid to 9 (2015: 5) retired civil servants whose services were employed on specialised tasks.

Severance payments amounting to €26,143 (2015: €118,770) were paid to 1 (2015: 11) locally employed staff at missions abroad.

Severance payments amounting to €125,223 were paid to 6 former Ministerial staff in 2016. No payments were made in 2015.

### 5.3 Payroll Overpayments

Overpayments at the year end were €125,402 (80 cases) (2015: €7,070, 6 cases). Seventeen of these cases had a recovery plan in place and sixty three cases with no recovery plan in place. There were a further thirteen overpayment cases of undetermined amounts.

## 6 Miscellaneous

### 6.1 Legal costs

Legal Costs paid during the year are categorised as follows:

	Number of cases	Legal costs paid by the Department €000	Legal costs awarded €000	Compensation awarded €000	2016	2015
					Total	Total
					€000	€000
Claims by employees of the Department	—	—	—	—	—	44
Claims by members of the public	2	25	—	13	38	6
	2	25	—	13	38	50

### 6.2 Cultural Relations with Other Countries (Grant)

	2016	2015
	€000	€000
Balance on 1 January	75	105
Grant (Subhead A.3)	846	846
	921	951
Expenditure	(875)	(876)
Balance at 31 December	46	75

### 6.3 Fraud and Suspected Fraud

Recently the Department has identified one case of suspected fraud/irregularities. The Department has initiated an investigation which is at a very early stage and will clarify the nature and scale of the suspected fraud/irregularities. The Comptroller and Auditor General has been briefed on this case. It is the Department's policy to make every reasonable effort to recover Exchequer funds where fraud or irregularities have occurred.