

Appropriation Account 2019

Vote 17

Public Appointments Service

Introduction

As Accounting Officer for Vote 17, 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 2019 for the salaries and expenses of the Public Appointments Service.

The expenditure outturn is compared with the sum granted by Dáil Éireann under the Appropriation Act 2019, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €621,000 is liable for surrender to the Exchequer.

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

Role of the Board

The Public Appointments Service was established under the Public Service Management (Recruitment and Appointments) Act 2004. It provides for a Chief Executive of the Service, and the appointment of a Board, consisting of eight external members and the Chief Executive in an ex officio basis.

The statutory functions of the Board are more advisory in nature than the traditional functions of State boards and essentially relate to giving advice or guidance to the Chief Executive. In general, they include

- representing the interests of the public service and ensuring that all appropriate service standards are being achieved
- considering and approving plans and strategic objectives put forward by the Chief Executive
- monitoring and advising the Public Appointments Service in the performance of its functions
- ensuring that appropriate review procedures are developed and implemented in relation to recruitment and promotion competitions, having regard to any relevant codes of practice issued by the Commission for Public Service Appointments
- publishing the annual report of the Public Appointments Service.

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 27 of 2019, 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 Public Appointments Service.

This responsibility is exercised in the context of the resources available to me and my other obligations as Head of the 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 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 shared services to the Public Appointments Service.

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between the Public Appointments Service and the National Shared Service Office for the provision of (e.g. human resource and payroll) shared services.

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 Public Appointments Service
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management discipline.

Non-compliance with procurement rules

The Public Appointments Service 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. Two contracts active during 2019, and with a value of €226,586 required disclosure in the annual 40/02 return to the Department of Public Expenditure and Reform and the Comptroller and Auditor General.

One contract with a value of €156,350 is considered non-competitive but compliant. This contract relates to software and licensing services for which there is only one supplier.

One contract with a value of €70,236 is considered non-competitive and non-compliant. This contract relates to cleaning services. Tendering for this was on hold in 2017 and 2018 pending a decision on the status of the Public Appointment Service's premises. This contract went to tender in 2019 and a new supplier is now in place.

Internal audit and Audit Committee

I confirm that the Public Appointments Service 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 Public Appointments Service 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.

Risk and control framework

The Public Appointments Service 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 quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and assigns responsibility for operation of controls 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 corrective action and to 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 Public Appointments Service has procedures to monitor the effectiveness of its risk management and control procedures. The Public Appointments Service'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 Public Appointments Service responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

An internal audit of procurement recommended that a number of improvements were required to the procurement function in the Public Appointments Service. Subsequent to this a three-year procurement plan has been approved by Management Board, all procurement policies have been reviewed and updated and all contracts are now recorded on the contract register which is regularly reviewed.

No other weaknesses in internal financial control were identified in relation to 2019 that require disclosure in the appropriation account.

Shirley Comerford

Accounting Officer
Public Appointments Service

21 September 2020

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 17 Public Appointments Service

Opinion on the appropriation account

I have audited the appropriation account for Vote 17 Public Appointments Service for the year ended 31 December 2019 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 17 Public Appointments Service for the year ended 31 December 2019, 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 Public Appointments Service 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 September 2020

Vote 17 Public Appointments Service

Appropriation Account 2019

	Estimate provision		2019	2018
			Outturn	Outturn
	€000	€000	€000	€000
Programme expenditure				
A Civil and public service - redeployment/recruitment/selection				
	<i>Original</i>	15,033		
	<i>Supplementary</i>	470		
			15,503	14,810
				12,558
Gross expenditure				
	<i>Original</i>	15,033		
	<i>Supplementary</i>	470		
			15,503	14,810
				12,558
<i>Deduct</i>				
B Appropriations-in-aid			175	253
				314
Net expenditure				
	<i>Original</i>	14,858		
	<i>Supplementary</i>	470		
			15,328	14,557
				12,244

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 spend in the following year. €150,000 of unspent allocations in respect of capital elements of subhead v. office equipment and external IT services was carried forward to 2020.

	2019	2018
	€	€
Surplus	770,605	1,174,763
Deferred surrender	(150,000)	—
Surplus to be surrendered	620,605	1,174,763

Shirley Comerford

Accounting Officer
Public Appointments Service

21 September 2020

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2019

	2019	2018
	€000	€000
Pay	8,171	7,161
Non pay	6,639	5,397
Gross expenditure	14,810	12,558
Deduct		
Appropriations-in-aid	253	314
Net expenditure	14,557	12,244
Changes in capital assets		
Purchases cash	(210)	
Depreciation	191	
Loss on disposals	1	232
	(18)	
Changes in net current assets		
Decrease in closing accruals	(38)	
Increase in stock	(5)	(77)
	(43)	
Direct expenditure	14,496	12,399
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	3,420	3,263
Net programme cost	17,916	15,662

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 17 borne elsewhere.

	2019	2018
	€000	€000
Vote 9 Office of the Revenue Commissioners	45	45
Vote 12 Superannuation and Retired Allowances	995	1,020
Vote 13 Office of Public Works	2,361	2,188
Vote 18 National Shared Services Office	19	10
	3,420	3,263

Note 2 Statement of Financial Position as at 31 December 2019

	Note	2019 €000	2018 €000
Capital assets	2.1	483	465
Current assets			
Bank and cash	2.2	580	337
Stocks		26	21
Prepayments		234	254
Accrued income		15	84
Other debit balances	2.3	93	573
Total current assets		948	1,269
Less current liabilities			
Accrued expenses		77	204
Other credit balances	2.4	270	283
Net Exchequer funding	2.5	403	627
Total current liabilities		750	1,114
Net current assets		198	155
Net assets		681	620
Represented by:			
State funding account	2.6	681	620

2.1 Capital assets

	Office and IT equipment €000	Furniture and fittings €000	Leasehold improvements €000	Total €000
Gross assets				
Cost or valuation at 1 January 2019	6,948	744	691	8,383
Additions	191	19	—	210
Disposals	(2)	—	—	(2)
Cost or valuation at 31 December 2019	7,137	763	691	8,591
Accumulated depreciation				
Opening balance at 1 January 2019	6,592	635	691	7,918
Depreciation for the year	172	19	—	191
Depreciation on disposals	(1)	—	—	(1)
Cumulative depreciation at 31 December 2019	6,763	654	691	8,108
Net assets at 31 December 2019	374	109	—	483
Net assets at 31 December 2018	356	109	—	465

2.2 Bank and cash

at 31 December	2019 €000	2018 €000
PMG balance	526	328
Commercial bank account balance	54	9
	580	337

2.3 Other debit balances

at 31 December	2019 €000	2018 €000
Salary suspense	38	35
Advances to OPW	—	460
Recoupable travel pass scheme	51	77
Other debit balance suspense items	4	1
	93	573

2.4 Other credit balances

at 31 December	2019	2018
	€000	€000
Amounts due to the State		
Income tax	154	136
Pay related social insurance	87	75
Local property tax	1	1
Professional services withholding tax	12	25
Value added tax	16	44
	270	281
Credit balances suspense	—	2
	270	283

2.5 Net Exchequer funding

at 31 December	2019	2018
	€000	€000
Surplus to be surrendered	621	1,175
Deferred surrender	150	—
Exchequer grant undrawn	(368)	(548)
Net Exchequer funding	403	627
Represented by:		
Debtors		
Bank and cash	580	337
Debit balances suspense	93	573
	673	910
Creditors		
Due to State	(270)	(281)
Credit balances suspense	—	(2)
	(270)	(283)
	403	627

2.6 State funding account

	Note	2019	2018
		€000	€000
Balance at 1 January		620	775
Disbursements from the Vote			
Estimate provision	Account	15,328	
Deferred surrender	Account	(150)	
Surplus to be surrendered	Account	(621)	
Net vote		14,557	12,244
Expenditure (cash) borne elsewhere	1.1	3,420	3,263
Net programme cost	1	(17,916)	(15,662)
Balance at 31 December		681	620

2.7 Commitments

Global commitments

At 31 December	2019	2018
	€000	€000
Procurement of goods and services	126	162
Total of legally enforceable commitments	126	162

Note 3 Vote Expenditure

Analysis of administration expenditure

This Vote has one programme concerning civil and public service redeployment, recruitment and selection. All expenditure under this programme is administrative in nature.

		2019		2018
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances			
	<i>Original</i>	7,933		
	<i>Supplementary</i>	370		
			8,303	7,161
ii	Travel and subsistence		32	24
iii	Training and development and incidental expenses		322	279
iv	Postal and telecommunications services		107	102
v	Office equipment and external IT services			
	<i>Original</i>	1,858		
	<i>Supplementary</i>	(300)		
			1,558	1,518
vi	Office premises expenses		1,799	391
vii	Recruitment costs – research and corporate governance		30	58
viii	Recruitment costs – advertising and testing			
	<i>Original</i>	977		
	<i>Supplementary</i>	400		
			1,377	1,231
ix	Recruitment costs – interview boards		1,975	1,794
			15,503	12,558
			14,810	

Significant variations

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

v Office equipment and external IT services

Estimate provision: €1.858 million, outturn: €1.32 million

Expenditure was lower than anticipated due to timing factors in the sourcing and implementation of a replacement IT system for the PAS recruitment system, STAR. Plans to upgrade the financial system were also delayed and have been deferred to 2020.

Note 4 Receipts

4.1 Appropriations-in-aid

	2019		2018
	Estimated €000	Realised €000	Realised €000
1 Miscellaneous	25	165	118
2 Receipts from additional superannuation contributions on public service remuneration ^a	150	88	196
Total	175	253	314

Note ^a The 2018 figure refers to pension related deductions. These were replaced by additional superannuation contributions from 1 January 2019.

Significant variations

Overall, appropriations-in-aid were €78,000 more than the estimate were as forecast. Explanations for significant variances are set out below:

1 Miscellaneous

Estimate: €25,000, realised: €165,000

The increase of €140,000 was primarily due to reimbursement by clients of payments made on their behalf by PAS in 2018 falling into 2019.

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2019	2018
Number of staff at year end	190	181

5.2 Pay

	2019 €000	2018 €000
Pay	7,251	6,446
Higher, special or additional duties allowance	123	53
Overtime	116	97
Employer's PRSI	681	565
Total pay	8,171	7,161

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2019	2018
			€	€
Higher, special or additional duties	26	4	16,020	10,174
Overtime	114	1	10,568	9,074
Extra remuneration in more than one category	15	3	17,597	12,610

5.4 Other remuneration arrangements

A total of €35,055 was paid as fees to four members of the Board of the Public Appointments Service in 2019 (2018: €28,239).

Member	Status	Sector	Annual spend	
			2019 €	2018 €
Ms Shirley Comerford	Member (Chief Executive)	Civil servant	—	—
Mr Tom Moran	Chairman	Former civil servant	11,970	7,821
Mr Barry Quinlan	Member	Civil servant	—	—
Dr Eddie Molloy	Member	Private sector	7,695	7,695
Ms Anne Marie Taylor	Member	Private sector	7,695	7,695
Ms Mary Connaughton	Member	Private sector	7,695	5,028
Mr John O' Callaghan	Member	Civil servant	—	—
Mr David Cagney	Member	Civil servant	—	—
Ms Anne O Connor	Member	Public servant	—	—
Total			35,055	28,239

5.5 Payroll overpayments

at 31 December	Number of recipients	2019 €	2018 €
Overpayments	2	1,184	—
Recovery plans in place	2	1,184	—