

Appropriation Account 2019

Vote 34

Housing, Planning and Local Government

Introduction

As Accounting Officer for Vote 34, 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 Office of the Minister for Housing, Planning and Local Government, including grants to Local Authorities, grants and other expenses in connection with housing, water services, miscellaneous schemes, subsidies and grants.

The expenditure outturn is compared with the sums 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 €6.511 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 7 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 27 of 2019, have been applied in the preparation of the account except for the following:

Capital assets

Land is not depreciated. Other assets are depreciated on a straight line basis over their estimated useful life starting in the month the asset was placed in service on the following basis:

- buildings 5% per annum
- motor vehicles 20% per annum
- plant and machinery 10% per annum
- radar equipment 6.66% per annum

John McCarthy
Accounting Officer
Department of Housing, Planning and Local Government

31 March 2020

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.

Shared services

Payroll and human resources services are provided to the Department 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 the Department and the National Shared Service Office for the provision of human resources and payroll shared service.

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 Department.

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.
- 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 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.

Non-compliance with procurement rules

The Department ensures that there is an appropriate focus on good practice in purchasing and procedures are in place to ensure compliance with all relevant procurement guidelines. The Department complied with the guidelines with the exception of nine contracts (in excess of €25,000) totalling €571,760 (ex VAT), as set out below.

- A contract in relation to catering with expenditure during the year of €45,913 (ex VAT) that was originally awarded with a competitive process, was rolled over pending the completion of a procurement process. The procurement process in relation to this contract has since been completed.
- Two contracts awarded without a competitive process in 2018 were continued in 2019 with expenditure during the year of €223,509 (ex VAT) because the suppliers had specialised expertise and previous experience in relation to issues arising on the proposed establishment of the Land Development Agency.
- Two ICT contracts with a total value of €103,558 (ex VAT) were rolled over as there is considerable risk of switching vendor during a critical phase of key changes to the delivery of ICT services in the Department in moving to the OGCIO provided desktop and infrastructure a service.
- An ICT telephony services contract with expenditure during the year of €73,825 (ex VAT) that was originally awarded with a competitive process, was rolled over pending the completion of a procurement process.
- A one-year ICT maintenance and support contract with expenditure during the year of €27,514 (ex VAT) was awarded without a competitive process on the basis of urgency/expediency for the successful completion of the upgrade to the Commvault backup system.
- A contract originally awarded with a competitive process in 2016 to provide ceilometers as part of the Aviation Modernisation and Automation Project was extended in 2019, with expenditure during the year of €77,142 (ex VAT), in order to comply with additional European Aviation Safety Agency regulations.
- A security contract that was entered into as an emergency measure in 2018 to provide security relating to the erection of hoarding while maintenance/refurbishment works were being undertaken by the OPW at the Custom House continued into early 2019 with expenditure during the year of €20,299 (ex VAT). A competitive procurement process has since been completed.

The Department has provided details of these exceptional contracts as part of information on 20 contracts with a total value of €1,852,252 (ex VAT) that are included on the annual return in respect of Circular 40/2002 to the Office of the Comptroller and Auditor General and the Department of Public Expenditure and Reform.

Internal audit and Audit Committee

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with an approved 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. The internal audit function is reviewed periodically by me and by the Audit Committee. I am satisfied that there are procedures in place to ensure that the reports of the internal audit function are followed up.

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 register is reviewed and updated by the Management Board on a regular 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

The risk register is reviewed centrally and the high-level risks are reviewed on a regular basis by the Management Board. 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 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 controls were identified in relation to 2019 that resulted in, or may result in, a material loss.

Graham Doyle
Accounting Officer
Department of Housing, Planning and Local Government

24 September 2020

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 34 Housing, Planning and Local Government

Opinion on the appropriation account

I have audited the appropriation account for Vote 34 Housing, Planning and Local Government 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 34 Housing, Planning and Local Government 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 Department of Housing, Planning and Local Government 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*.

Non-compliance with procurement rules

The Accounting Officer has disclosed in the statement on internal financial control that a number of instances of non-compliance with national procurement rules occurred in respect of contracts that operated in 2019.

Reporting on other matters arising from audit

Chapters 11, 12 and 13 of my report on the accounts of the public services for 2019, respectively, deal with performance measures for exchequer spending on social housing, progress under the Land Aggregation Scheme and expenditure in relation to the Pyrite Remediation Scheme.

Seamus McCarthy
Comptroller and Auditor General

24 September 2020

Vote 34 Housing, Planning and Local Government

Appropriation Account 2019

	2019		2018
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A Housing	2,300,972	2,365,240	1,983,676
B Water Services	1,308,560	1,288,395	1,174,017
C Local Government	212,005	210,935	158,793
D Planning	146,557	68,002	49,774
E Met Éireann	30,384	27,951	20,919
Gross expenditure	3,998,478	3,960,523	3,387,179
<i>Deduct</i>			
F Appropriations-in-aid	61,175	63,231	69,726
Net expenditure	3,937,303	3,897,292	3,317,453

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. €33.5 million of unspent allocations in respect of capital elements of Programme D Planning were carried forward to 2020.

	2019	2018
	€	€
Surplus	40,011,020	13,164,511
Deferred surrender	(33,500,000)	—
Surplus to be surrendered	6,511,020	13,164,511

John McCarthy

Accounting Officer

Department of Housing, Planning and Local Government

31 March 2020

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2019

	2019	2018
	€000	€000
Programme cost	3,894,399	3,331,606
Pay	48,637	43,903
Non pay	17,487	11,670
Gross expenditure	3,960,523	3,387,179
<i>Deduct</i>		
Appropriations-in-aid	63,231	69,726
Net expenditure	3,897,292	3,317,453
Changes in capital assets		
Purchases cash	(5,611)	
Depreciation	1,014	
Loss on disposals	1	(1,465)
	(4,596)	(1,465)
Changes in net current assets		
Increase in closing accruals	9,195	
Increase in stocks	(32)	(14,515)
	9,163	(14,515)
Direct expenditure	3,901,859	3,301,473
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	24,759	24,580
Notional rents	3,233	3,136
Net programme cost	3,929,851	3,329,189

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 34 borne elsewhere.

	2019	2018
	€000	€000
Vote 9 Office of the Revenue Commissioners	164	560
Vote 12 Superannuation and Retired Allowances	22,769	22,424
Vote 13 Office of Public Works	1,636	1,402
Vote 18 National Shared Services Office	78	69
Central Fund – Ministerial pensions	112	125
	24,759	24,580

Note 2 Statement of Financial Position as at 31 December 2019

	Note	2019 €000	2018 €000
Capital assets	2.1	10,176	5,194
Current assets			
Bank and cash	2.2	51,553	18,930
Stocks	2.3	181	149
Other debit balances	2.4	714	1,077
Prepayments		1,447	974
Accrued income		2,382	6,757
Housing Agency revolving acquisitions fund	7.2	69,393	70,941
Total current assets		<u>125,670</u>	<u>98,828</u>
Less current liabilities			
Accrued expenses		13,838	9,577
Other credit balances	2.5	18,720	20,001
Deferred income		8,561	8,689
Net Exchequer funding	2.6	<u>33,547</u>	<u>6</u>
Total current liabilities		<u>74,666</u>	<u>38,273</u>
Net current assets		<u>51,004</u>	<u>60,555</u>
Net assets		<u>61,180</u>	<u>65,749</u>
Represented by:			
State funding account	2.7	<u>61,180</u>	<u>65,749</u>

2.1 Capital assets

	Land and buildings	Plant, machinery and motor vehicles	Furniture and fittings	Office and IT equipment	Capital assets under development	Total
	€000	€000	€000	€000	€000	€000
Gross assets						
Cost or valuation at 1 January 2019	668	327	1,672	19,407	1,900	23,974
Additions	—	1	132	1,002	4,864	5,999
Disposals	—	—	—	31	(31)	—
Brought into use	—	—	(40)	(32)	—	(72)
Transfers to other Departments	—	—	(24)	(8)	—	(32)
Cost or valuation at 31 December 2019	668	328	1,740	20,400	6,733	29,869
Accumulated depreciation						
Opening balance at 1 January 2019	61	209	1,511	16,999	—	18,780
Depreciation for the year	12	30	65	907	—	1,014
Depreciation on disposals	—	—	(40)	(31)	—	(71)
Transfers to other Departments	—	—	(22)	(8)	—	(30)
Cumulative depreciation at 31 December 2019	73	239	1,514	17,867	—	19,693
Net assets at 31 December 2019	595	89	226	2,533	6,733	10,176
Net assets at 31 December 2018	607	118	161	2,408	1,900	5,194

2.2 Bank and cash

at 31 December	2019	2018
	€000	€000
PMG balance	51,424	18,799
Commercial bank account and cash balances	129	131
	<u>51,553</u>	<u>18,930</u>

2.3 Stocks

at 31 December	2019	2018
	€000	€000
Meteorological consumables	86	55
IT consumables	27	29
Stationery	49	49
Cleaning materials	4	6
Other	15	10
	<u>181</u>	<u>149</u>

2.4 Other debit balances

at 31 December	2019	2018
	€000	€000
Recoupable salary costs	56	117
Recoupable travel pass scheme	208	176
Recoupable travel costs	9	9
Imprests	19	4
Other debit suspense items	422	771
	<u>714</u>	<u>1,077</u>

2.5 Other credit balances

at 31 December	2019	2018
	€000	€000
Amounts due to the State		
Income tax	859	734
Pay related social insurance	401	324
Professional services withholding tax	189	79
Value added tax	289	324
Pension contributions	143	120
	<u>1,881</u>	<u>1,581</u>
Payroll deductions held in suspense	219	207
LIFE integrated project	1,870	—
Urban Development Fund ^a	14,111	17,543
Other credit suspense items	639	670
	<u>18,720</u>	<u>20,001</u>

Note ^a See Note 7.1.

2.6 Net Exchequer funding

at 31 December	2019	2018
	€000	€000
Surplus to be surrendered	6,511	13,165
Deferred surrender	33,500	—
Exchequer grant undrawn	(6,464)	(13,159)
Net Exchequer funding	<u>33,547</u>	<u>6</u>
Represented by:		
Debtors		
Bank and cash	51,553	18,930
Debit balances: suspense	714	1,077
	<u>52,267</u>	<u>20,007</u>
Creditors		
Due to State	(1,881)	(1,581)
Credit balances: suspense	(16,839)	(18,420)
	<u>(18,720)</u>	<u>(20,001)</u>
	<u>33,547</u>	<u>6</u>

2.7 State funding account

	Note	2019	2018
		€000	€000
Balance at 1 January		65,749	49,769
Disbursements from the Vote			
Estimate provision	Account	3,937,303	
Deferred surrender	Account	(33,500)	
Surplus to be surrendered	Account	(6,511)	
Net vote		3,897,292	3,317,453
Expenditure (cash) borne elsewhere	1.1	24,759	24,580
Non cash expenditure – notional rent	1	3,233	3,136
Assets transferred to other Departments	2.1	(2)	—
Net programme cost	1	(3,929,851)	(3,329,189)
Balance at 31 December		61,180	65,749

2.8 Commitments**a) Global commitments**

At 31 December	2019	2018
	€000	€000
Procurement of goods and services	2,106	1,190
Non-capital grant programmes	982,895	875,993
Capital grant programmes	1,543,599	1,024,676
Public private partnership projects	631,034	—
Total of legally enforceable commitments	3,159,634	1,901,859

b) Non-capital grant programmes

	2019	2018
	€000	€000
Opening balance	875,993	540,458
Grants paid in year	(723,643)	(604,396)
New grant commitments	830,545	939,931
Closing balance	982,895	875,993

c) Capital grant programmes

	2019	2018
	€000	€000
Opening balance	1,024,676	882,433
Grants paid in year	(1,383,738)	(1,184,873)
New grant commitments	1,902,661	1,327,116
Closing balance	1,543,599	1,024,676

d) Major capital projects

	Cumulative expenditure to 31 December 2018	Expenditure in 2019	Project commitments in subsequent years	Expected total spend lifetime of project 2019	Expected total spend lifetime of project 2018
	€000	€000	€000	€000	€000
Housing projects					
Construction					
<i>Jointly funded^a</i>					
Beechgrove, Clonakilty Cork County					
Local authority	17	—	—	17	—
Department	243	813	16,116	17,172	—
	260	813	16,116	17,189	—
Priory Hall refurbishment, Donaghmede, Dublin 13 ^b					
Local authority	10,288	—	—	10,288	10,288
Department	23,243	973	13,696	37,912	37,913
	33,531	973	13,696	48,200	48,201
Rosemount Court, Dun Laoghaire–Rathdown:					
Local authority	5,413	—	—	5,413	5,413
Department	6,205	—	305	6,510	6,510
	11,618	—	305	11,923	11,923
Fitzgerald Park, Dun Laoghaire–Rathdown:					
Local authority	3,729	1,312	—	5,041	3,729
Department	4,630	—	412	5,042	6,354
	8,359	1,312	412	10,083	10,083
Racecourse Common, Lusk (Phase 2.1):					
Local authority	2,260	—	—	2,260	2,260
Department	9,174	—	174	9,348	9,348
	11,434	—	174	11,608	11,608
St Aiden's, Brookfield, Tallaght ^c					
Local authority	4,264	12	—	4,276	4,264
Department	12,811	36	2,699	15,546	15,558
	17,075	48	2,699	19,822	19,822
Ballyboden, Rathfarnham					
Local authority	872	1,423	—	2,295	872
Department	9,483	283	770	10,536	11,959
	10,355	1,706	770	12,831	12,831
St. Cuthbert's, Clondalkin (Phase 1), South Dublin:					
Local authority	78	2,872	—	2,950	78
Department	1,449	6,956	855	9,260	12,132
	1,527	9,828	855	12,210	12,210

<i>Department funded</i>	Cumulative expenditure to 31 December 2018	Expenditure in 2019	Project commitments in subsequent years	Expected total spend lifetime of project 2019	Expected total spend lifetime of project 2018
	€000	€000	€000	€000	€000
Tullow Road, Carlow	—	2,512	10,630	13,142	11,995
Church Road, Cork City	11,159	692	139	11,990	11,989
Whites Street, Cork City	3,379	5,674	3,647	12,700	12,700
Deanrock, Togher, Cork City	5,970	9,954	1,305	17,229	17,229
Milleenacola, Bantry, Cork County	—	—	11,092	11,092	11,092
Mill Road, Avoncore, Bloomfield, Middleton, Cork County	—	—	11,011	11,011	—
Hazelbrook, Ballyviniter, Mallow, Cork County	—	5,130	11,394	16,524	—
Clarendon Brooks, Carrs Hill, Douglas, Cork County	—	3,346	9,555	12,901	—
Convent Road, Carndonagh, Donegal	—	—	11,711	11,711	—
Cherry Orchard, Ballyfermot/ Woodbank/ Rathvilly	12,376	4,352	3,145	19,873	19,873
Cornamona, Ballyfermot, Dublin 12	1,360	2,128	18,629	22,117	—
North King Street - Sean Foster Place, Dublin 7	705	1,013	11,208	12,926	—
Bunratty Road Phase 1c, Dublin 17	—	2,115	27,103	29,218	—
Springvale, Chapelizod, Dublin 8	—	2,698	26,483	29,181	—
Bonham Street, Dublin 8	—	2,820	18,175	20,995	—
Cork Street - Chamber Street, Dublin 8	—	2,209	18,184	20,393	—
Radharc na Gréine (Glasshouse site), Monivea Road – (Phase 1), Galway City	1,832	4,620	11,918	18,370	18,370
Ballymoneen Road (Phase 2), Galway City	—	4,248	13,040	17,288	—
Tullahill, Loughrea, Galway	—	—	14,060	14,060	—
Kylebroughlan, Moycullen, Galway	—	—	13,171	13,171	—

Garraí Mhic Aodha, Tubber Road, Gort, Galway	—	—	10,536	10,536	—
	Cumulative expenditure to 31 December 2018	Expenditure in 2019	Project commitments in subsequent years	Expected total spend lifetime of project 2019	Expected total spend lifetime of project 2018
	€000	€000	€000	€000	€000
Lohercannon, Tralee, Kerry	—	504	15,089	15,593	—
Old Christians site, Rathbane, Limerick	—	124	11,219	11,343	—
Gort Bui, Ballymakenny Road, Drogheda, Louth	—	—	14,251	14,251	—
Merrymeeting View, Rathnew, Wicklow	—	7,240	4,577	11,817	—
Kilbride Lane, Bray, Wicklow	8,842	4,206	4,060	17,108	17,108
Total	139,782	80,265	340,359	560,406	247,034

Regeneration*Jointly funded*Dolphin House, Dublin
8:

Local authority	1,490	—	—	1,490	1,490
Department	22,610	—	1,747	24,357	24,357
	24,100	—	1,747	25,847	25,847

Department funded

Dominick Street, Dublin d	2,045	8,012	19,246	29,303	29,303
O'Devaney Gardens, Dublin ^d	1,791	3,717	15,161	20,669	20,669
St. Teresa's Gardens, Dublin ^d	—	7,315	13,785	21,100	21,100
Cork Regeneration Phase 2, Knocknaheeny/Hollyhill Cork City	2,530	7,700	1,623	11,853	11,853
Lord Edward Street, Limerick	17,343	—	2,129	19,472	19,472
Southill Area Centre, Limerick	10,727	—	275	11,002	11,002
Total	58,536	26,744	53,966	139,246	139,246

Infrastructure

South Docks, Cork City	565	130	10,936	11,631	11,630
------------------------	-----	-----	--------	--------	--------

Dodder Bridge, Dublin City	127	221	11,465	11,813	11,813
Cherrywood, Dun Laoghaire – Rathdown	127	1,984	9,281	11,392	11,392
Donabate Distributor Road, Fingal	3,851	6,849	80	10,780	10,620
Maynooth, Co Kildare	157	209	10,509	10,875	10,875
Adamstown, Co. Dublin	23	607	14,370	15,000	15,000
Total	4,850	10,000	56,641	71,491	71,330

- Notes
- ^a Some projects are funded jointly by the Department and by certain local authorities' own funds from Local Property Tax retentions (80% of LPT receipts in a local authority area are retained locally). There is potential for the Department's commitments in subsequent years to be reduced if local authorities are in a position to use their own funds from Local Property Tax retention.
 - ^b The Department element of the cumulative expenditure to 31 December 2018 figure of €23.24 million on the Priory Hall refurbishment includes an adjustment of €5.99 million relating to 2013 and 2018 that was inadvertently omitted from the 2018 appropriation account.
 - ^c The Department element of the cumulative expenditure to 31 December 2018 figure of €12.81 million on St. Aidan's includes an adjustment of €166,000 relating to 2018 that was inadvertently omitted from the 2018 appropriation account.
 - ^d These projects were inadvertently omitted from the 2018 appropriation account.

Significant variations

An explanation is provided below where projected project cost has varied by more than €500,000 compared to 2018.

Tullow Road

Increase in expected total spend: €1.15 million

The expected total spend in relation to the Tullow Road project has increased by €1.15 million following a delay in commencing construction, bringing the overall commitment on the scheme to €13.14 million.

e) Unitary payments of Public Private Partnership projects

The Department has committed to the development of a social housing PPP Programme comprising three bundles of projects. To date, the contracts for two bundles have been entered into. These utilise what is termed as an 'availability-based' PPP model, in which a private sector company designs, builds, finances and maintains the social housing units in return for a monthly unitary charge payment. This payment commences upon completion of the units, and runs for 25 years from the completion of construction on each site. It incorporates all costs under the contract, including the initial construction costs of the units, as well as maintenance, operation, life-cycle, tenancy management and financing costs. The payments are comprised of two elements, a fixed-cost element and a variable (indexed) element, which changes in line with inflation.

Bundle 1

Bundle 1 will provide 534 units across six sites in the greater Dublin area. Two of the sites are located in Dublin City, with one each in South Dublin, Kildare, Wicklow and Louth. Dublin City Council was appointed to act as the lead local authority and contracting authority for the delivery of bundle 1.

Bundle 2

Bundle 2 will provide 465 units across eight sites. Three of the sites are located in the Cork County local authority area, with one each in Galway City, Waterford, Clare, Kildare and Roscommon. Cork County Council is acting as lead local authority and contracting authority for bundle 2.

	Cumulative expenditure to 31 December 2018	Expenditure in 2019	Legally enforceable commitments to be met in subsequent years	Project total 2019	Project total 2018
	€000	€000	€000	€000	€000
Social housing bundle 1	—	—	341,785	341,785	—
Social housing bundle 2	—	—	289,249	289,249	—
Total	—	—	631,034	631,034	—

Note This table reflects unitary charge obligations for Social Housing PPP bundles undertaken to date, including projected VAT on construction and estimated VAT on the unitary charge payments. As both PPP contracts were signed in 2019, there has been no spend on unitary charge payments to date.

2.9 Matured liabilities

at 31 December	2019	2018
	€000	€000
Estimate of matured liabilities not discharged at year end.	<u>38</u>	<u>56</u>

2.10 Contingent liabilities

The Department is involved in a number of pending legal proceedings which may generate liabilities, depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

Note 3 Vote Expenditure

Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

		2019		2018
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	49,449	48,637	43,903
ii	Travel and subsistence	1,309	1,460	1,195
iii	Training and development and incidental expenses	2,316	1,603	1,550
iv	Postal and telecommunication services	1,334	1,026	781
v	Office equipment and external IT services	15,089	11,859	7,122
vi	Office premises expenses	4,597	1,431	963
vii	Consultancy services and value for money and policy reviews	38	—	2
viii	Research (statistics and economics)	226	61	57
ix	Protected disclosures (investigation services)	200	2	—
x	Recruitment and HR operations	120	45	—
		74,678	66,124	55,573

Significant variations

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

iii Training and development and incidental expenses

Estimate provision: €2.316 million, outturn: €1.603 million

The savings of €713,000 on expenditure on training and development and incidental expenses was due to security costs and legal settlements being lower than anticipated. In addition, some planned expenditure on meteorological training was not finalised in 2019.

vi Office premises expenses

Estimate provision: €4.597 million, outturn: €1.431 million

The savings of €3.166 million was mainly due to a delay in planned renovations to the Custom House.

viii Research (Statistics and economics)*Estimate provision: €226,000, outturn: €61,000*

The savings of €165,000 on expenditure was due to anticipated research projects not materialising as expected.

ix Protected disclosures (investigation services)*Estimate provision: €200,000, outturn: €2,000*

The savings of €198,000 relative to the estimate provision arose because the procurement process for specialist investigation services was not completed until June 2019. A number of cases under assessment in 2019 had not progressed to the investigation stage.

Programme A Housing

		2019		2018
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	15,516	15,331	13,214
A.2	Administration – non-pay	5,729	3,080	1,877
A.3	Local authority housing	747,471	955,745	810,679
A.4	Social housing current expenditure programme	154,886	139,127	100,393
A.5	Rental accommodation scheme	134,300	134,290	143,337
A.6	Housing assistance payment scheme	422,729	382,408	276,604
A.7	Capital assistance scheme	94,875	88,364	72,711
A.8	Capital loans and subsidy scheme	54,750	51,686	53,208
A.9	Communal facilities	500	25	270
A.10	Mortgage to rent	23,000	17,998	14,350
A.11	Capital advance leasing facility	94,400	139,399	118,699
A.12	Traveller accommodation and support	17,710	14,036	11,665
A.13	Accommodation for homeless	146,000	165,000	139,000
A.14	Housing for people with a disability	345	167	23
A.15	Estate regeneration/remedial works	71,750	78,511	83,781
A.16	Energy efficiency - retrofitting	30,454	47,454	34,818
A.17	Repair and leasing scheme	38,000	3,772	2,946
A.18	Private housing grants	57,000	51,912	49,244
A.19	Mortgage allowances	600	403	416
A.20	Affordable housing/shared ownership subsidy	4,000	2,397	2,423
A.21	Infrastructure fund	130,000	22,279	6,888
A.22	Pyrite Resolution Board	32,000	30,000	30,000
A.23	Housing and Sustainable Communities Agency	10,000	7,500	7,174
A.24	Residential Tenancies Board	12,461	12,460	7,838
A.25	Other services	2,496	1,896	2,118
		2,300,972	2,365,240	1,983,676

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme A was €64.268 million lower than originally provided. There was an underspend of €2.834 million, which related to administration expenditure and has already been explained, and the balance of the variance, an overspend of €67.102 million, was mainly due to the following:

A.3 Local authority housing

Estimate provision: €747.471 million, outturn: €955.745 million

The increase in expenditure of €208.274 million relative to the original estimate provision was due to progress on the delivery of the Rebuilding Ireland Action Plan – there was additional capital expenditure by local authorities, primarily on new builds and acquisitions under the Social Housing Investment Programme. Expenditure from this subhead delivered circa 4,300 homes in 2019, compared to a target of 3,544 for the year.

A.4 Social housing current expenditure programme

Estimate provision: €154.886 million, outturn: €139.127 million

The savings of €15.759 million relative to the estimate provision was due to lower than anticipated demand under the Repair and Leasing Scheme. Savings arising were allocated to other housing programmes.

A.6 Housing assistance payment scheme

Estimate provision: €422.729 million, outturn: €382.408 million

The savings of €40.321 million relative to the estimate provision arose because there was a higher than expected proportion of recipients outside of the Dublin area – therefore, at a lower cost; transfers from Rent Supplement to HAP in Dublin were slower than anticipated; and the exit rate from the scheme was higher than expected. Savings arising were allocated to other housing programmes.

A.7 Capital assistance scheme

Estimate provision: €94.875 million, outturn: €88.364 million

The savings of €6.511 million relative to the estimate provision was largely due to a significant number of approved projects not progressing as quickly as anticipated – mainly reflecting capacity constraints within smaller approved housing bodies and issues related to planning, land acquisition and procurement. There were 31 Capital Assistance Scheme projects, involving 205 housing units, which were expected to be completed in 2019 but are now expected to be completed in 2020. Savings arising were allocated to other housing programmes.

A.8 Capital loans and subsidy scheme

Estimate provision: €54.75 million, outturn: €51.686 million

The savings of €3.064 million relative to the estimate provision was due to lower than anticipated drawdown expenditure requests from local authorities on the Scheme. Savings arising were allocated to other housing programmes.

A.9 Communal facilities

Estimate provision: €500,000, outturn: €25,000

The savings of €475,000 relative to the estimate provision was due to lower than anticipated demand. Communal Facility projects are in the main additional facilities (e.g. communal dining/kitchen facilities, laundries, sitting/activity areas) to complement Capital Assistance Scheme construction projects. Savings arising were allocated to other housing programmes.

A.10 Mortgage to rent

Estimate provision: €23 million, outturn: €17.998 million

The savings of €5.002 million relative to the estimate provision was due to a lower than anticipated number of completed cases. At the end of 2019, there were 421 approvals in place for active cases progressing through the scheme. Savings arising were allocated to other housing programmes.

A.11 Capital advance leasing facility

Estimate provision: €94.4 million, outturn: €139.399 million

The increase in expenditure of €44.999 million relative to the estimate provision was due to certain Approved Housing Bodies (AHBs) improving their capacity to deliver larger schemes, as well as a significant increase in demand for accelerated Capital Advance Leasing Facility (CALF) projects in 2019, which are used to pay deposits and to facilitate stage payments on construction projects.

A.12 Traveller accommodation and support

Estimate provision: €17.71 million, outturn: €14.036 million

The savings of €3.674 million relative to the estimate provision arose on traveller accommodation as progress on delivery was slower than anticipated. Savings arising were allocated to other housing programmes.

A.13 Accommodation for homeless

Estimate provision: €146 million, outturn: €165 million

The increase in expenditure of €19 million relative to the estimate provision was due to the increasing demands for homeless accommodation and related services. Despite a total of 5,971 adults exiting homelessness to tenancies in 2019, there was a continuous high level of presentations of individuals and families to homeless services. This meant that there was an increased cost to ensuring that emergency accommodation was available for these households. For families, new family hubs were opened during 2019. New services were also introduced in the Dublin region for rough sleepers, with over 300 new emergency beds introduced in 2019.

A.14 Housing for people with a disability

Estimate provision: €345,000, outturn: €167,000

The expenditure from this subhead is in relation to tenancy sustainment for people with mental health related housing needs and is part-funded with the HSE. Savings of €178,000 relative to the estimate provision arose due to slower than anticipated appointment of Tenancy Sustainment Officers (TSOs). Savings arising were allocated to other housing programmes.

A.15 Estimate regeneration/remedial works

Estimate provision: €71.75 million, outturn: €78.511 million

The increase in expenditure of €6.761 million relative to the estimate provision was due to significant ramping up of programme activity, including on large scale projects such as St. Teresa's Gardens, Dublin.

A.16 Energy efficiency - retrofitting

Estimate provision: €30.454 million, outturn: €47.454 million

The increase in expenditure of €17 million relative to the estimate provision mainly relates to the additional support of local authorities in preparing vacant social homes for re-letting, particularly homes that would likely remain vacant for a significant period of time because of the cost of the works required. The programme assists local authorities in actively targeting such vacant properties, to minimise their turnaround and re-let times and return them to use in an energy efficient condition.

A.17 Repair and leasing scheme

Estimate provision: €38 million, outturn: €3.772 million

The savings of €34.228 million relative to the estimate provision was due to it being a demand led scheme and delivery under the scheme was lower than expected. The operation of the scheme was reviewed in the context of the general review of Rebuilding Ireland and a number of changes were made seeking to make it more attractive to owners to assist increased take up and delivery. Savings arising were allocated to other housing programmes.

A.18 Private housing grants

Estimate provision: €57 million, outturn: €51.912 million.

The savings of €5.088 million relative to the estimate provision was due to the private housing grant scheme being demand led and it being difficult to predict the precise level of funding drawdown. Individual grants ranged from €254 to €24,000 and there were over 10,000 grants paid in 2019. Savings arising were allocated to other housing programmes.

A.19 Mortgage allowances

Estimate provision: €600,000, outturn: €403,000

The savings of €197,000 relative to the estimate provision was due to a decrease in the number of applications under the scheme. Savings arising were allocated to other housing programmes.

A.20 Affordable housing/shared ownership subsidy

Estimate provision: €4 million, outturn: €2.397 million

The savings of €1.603 million relative to the estimate provision was due to a lower than anticipated number of eligible households under the Affordable Housing and Shared Ownership schemes. Savings arising were allocated to other housing programmes.

A.21 Infrastructure fund

Estimate provision: €130 million, outturn: €22.279 million

The estimate relates to the Local Infrastructure Housing Activation Fund (LIHAF), which is to provide public off-site infrastructure to relieve critical infrastructure blockages and accelerate the delivery of housing in key areas and development sites, and to the Shared Sites Fund (SSF), which is to provide infrastructure on local authority land banks to facilitate the delivery of affordable housing.

The savings of €107.721 million relative to the estimate provision was due to the following:

- Expenditure on 27 LIHAF projects did not materialise as quickly as expected (three projects were completed in 2019). At the start of 2019, many of the LIHAF projects were at the design stage where costs are modest and involved mainly design and consultancy fees. Expenditure is expected to ramp up significantly in 2020 as more projects move to the construction phase.
- At the end of 2019, under the SSF scheme, funding of €127 million had been approved in principle to provide infrastructural work that will support 35 projects in 14 local authorities, delivering 3,200 homes. There was no drawdown in 2019 as projects were at design and planning stages. Drawdown will begin in 2020 as projects move to construction stage. Savings arising were allocated to other housing programmes.

A.22 Pyrite Resolution Board

Estimate provision: €32 million, outturn: €30 million

The savings of €2 million relative to the estimate provision was due to a lower than anticipated number of successful applications under the scheme. Savings arising were allocated to other housing programmes.

A.23 Housing and Sustainable Communities Agency

Estimate provision: €10 million, outturn: €7.5 million

The savings of €2.5 million relative to the estimate provision was due to an underspend in the AHB Regulation Office as the Housing (Regulation of Approved Housing Bodies) Act 2019 was not enacted until the end of December 2019. Savings arising were allocated to other housing programmes.

A.25 Other services

Estimate provision: €2.496 million, outturn: €1.896 million

The savings of €600,000 relative to the estimate provision was due to a lower than anticipated funding requirement on the part of the Irish Council for Social Housing. Savings arising were allocated to other housing programmes.

Programme B Water services

		2019		2018
		Estimate provision	Outturn	Outturn
		€000	€000	€000
B.1	Administration - pay	4,520	5,418	5,626
B.2	Administration - non-pay	1,637	1,122	1,388
B.3	Water quality programme	23,149	19,888	13,747
B.4	Rural water programme	47,000	41,104	39,121
B.5	Irish water	1,208,500	1,208,000	1,100,000
B.6	Local authorities	16,500	12,760	13,001
B.7	Legacy water environmental issues	7,000	76	47
B.8	Water Advisory Body	220	27	—
B.9	Other services	34	—	—
—	<i>Foreshore^a</i>	—	—	1,087
		1,308,560	1,288,395	1,174,017

Note ^a This subhead was moved to Programme D Planning under Subhead D.13 in 2019.

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme B was €20.165 million lower than provided. There was an overspend of €383,000 which related to administration expenditure and has already been explained and the balance of the variance, an underspend of €20.548 million, was mainly due to the following:

B.3 Water quality programme

Estimate provision: €23.149 million, outturn: €19.888 million

The savings of €3.261 million relative to the estimate provision mainly arose on the EU INTERREG V (Environmental Measure) programme because the drawdown by projects was slower than anticipated.

In addition, other savings arose in relation to River Basin Management Planning and the water quality programme.

B.4 Rural water programme

Estimate provision: €47 million, outturn: €41.104 million

The savings of €5.896 million relative to the estimate provision was due to lower than anticipated expenditure on the Rural Water Programme 2019-2021. Proposals for funding for individual projects were invited earlier in 2019. Following an assessment process, allocations for 621 projects were announced in October 2019.

B.6 Local authorities

Estimate provision: €16.5 million, outturn: €12.76 million

The savings of €3.74 million relative to the estimate provision was due to a lower than anticipated requirement for recoupment of legacy water services loans held by local authorities and the varying finance costs of the loans. In addition, expenditure by local authorities on the operation of the Water Services Transition Office and in relation to work on water services asset transfers to Irish Water was less than expected.

B.7 Legacy water environmental issues

Estimate provision: €7 million , outturn: €76,000

The savings of €6.924 million relative to the estimate provision mainly arose because the Developer Provided Infrastructure programme was launched in Q3 2019 and, following an evaluation process, allocations and approvals will not be determined until 2020.

In addition, other savings arose as a result of the Lead Remediation Grant Scheme being a demand-led scheme under which expenditure is difficult to predict

B.8 Water Advisory Body

Estimate provision: €220,000, outturn: €27,000

The savings of €193,000 relative to the estimate provision arose as the number of reports published by the Water Advisory Body was lower than anticipated.

Programme C Local Government

		2019		2018
		Estimate provision	Outturn	Outturn
		€000	€000	€000
C.1	Administration – pay	6,719	9,616	9,225
C.2	Administration – non-pay	2,456	1,585	2,288
C.3	Local Government Fund	185,000	185,180	124,800
C.4	Fire and emergency services	12,425	13,316	11,958
C.5	Franchise	4,412	343	585
C.6	Other services	993	895	9,937
		212,005	210,935	158,793

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme C was €1.07 million lower than provided. There was an overspend of €2.026 million which related to administration expenditure which has already been explained and the balance of the variance, an underspend of €3.096 million, was mainly due to the following:

C.4 Fire and emergency services

Estimate provision: €12.425 million, outturn: €13.316 million

The increase in expenditure of €891,000 relative to the estimate provision was due to a number of new fire stations and training centres advancing quicker than anticipated.

C.5 Franchise

Estimate provision: €4.412 million, outturn: €343,000

The Department's franchise function relates to policy and legislation concerning administrative aspects of the electoral system. Savings of €4.069 million relative to the estimate provision arose primarily because a referendum on extending the franchise at presidential elections did not take place in 2019 and therefore the Referendum Commission did not require such funding during the year. In addition, other savings arose as the Electoral Register Modernisation project did not progress as quickly as anticipated.

Programme D Planning

		2019		2018
		Estimate provision	Outturn	Outturn
		€000	€000	€000
D.1	Administration – pay	10,385	5,290	3,767
D.2	Administration – non-pay	3,820	1,887	434
D.3	An Bord Pleanála	18,548	18,548	17,514
D.4	Planning Tribunal	5,582	781	4,322
D.5	Office of the Planning Regulator	2,367	1,637	258
D.6	Planning policy	420	532	550
D.7	Forward planning	250	220	247
D.8	Myplan	135	123	121
D.9	Urban renewal/regeneration	63,000	18,600	—
D.10	Development contribution rebate scheme	—	637	6,685
D.11	Ordnance Survey Ireland	15,763	15,763	15,593
D.12	Land Development Agency	20,049	2,409	254
D.13	Foreshore ^a	5,628	1,138	—
D.14	Marine spatial planning	500	335	—
D.15	Other services	110	102	29
		146,557	68,002	49,774

Note ^a This subhead was accounted for under Programme B Water Services in 2018 (€1.087 million).

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme D was €78.555 million lower than provided. €7.028 million of this related to administration expenditure and has already been explained and the balance of the variance of €71.527 million was mainly due to the following:

D.4 Planning Tribunal

Estimate provision: €5.582 million, outturn: €781,000

The savings of €4.801 million relative to the estimate provision was because expenditure by the Tribunal is difficult to predict and the funding required to meet third party legal costs arising from the work of the Tribunal was lower than anticipated. See Note 6.1 – Committees, Commissions and Special Inquiries for additional information.

D.5 Office of the Planning Regulator

Estimate provision: €2.367 million, outturn: €1.637 million

The savings of €730,000 relative to the estimate provision was because the Office of the Planning Regulator was established in April 2019 and only incurred costs from this date.

D.6 Planning policy

Estimate provision: €420,000, outturn: €532,000

The increase in expenditure of €112,000 relative to the estimate provision was mainly due to increased costs on the implementation of new Short Term Letting legislation.

D.9 Urban renewal/regeneration

Estimate provision: €63 million, outturn: €18.6 million

The savings of €44.4 million relative to the estimate provision was mainly due to lower than anticipated expenditure on the Urban Regeneration and Development Fund in order to ensure that the necessary governance and financial frameworks were put in place. €20 million of these savings were carried forward to 2020 as deferred surrender. The remaining savings were allocated to Programme A – Housing.

D.10 Development contribution rebate scheme

Estimate provision: €Nil, outturn: €637,000

The increase in expenditure of €637,000 relative to the estimate provision was due to a late once-off payment under the scheme. The once-off claim and relevant supporting documentation were submitted to the local authority before the closing date of the scheme but there was a delay in submitting them to the Department.

D.12 Land Development Agency

Estimate provision: €20.049 million, outturn: €2.409 million

The savings of €17.64 million relative to the estimate provision was due to LDA projects being at the design and pre-planning stages and so did not advance to more significant expenditure stages during 2019. In addition, the recruitment of additional staff in 2019 was slower than anticipated. €13.5 million of these savings were part of the deferred surrender carried forward to 2020. The remaining savings were allocated to Programme A – Housing.

D.13 Foreshore

Estimate provision: €5.628 million, outturn: €1.138 million

The savings of €4.49 million relative to the estimate provision arose because of the later than planned implementation of phase 2 of the Marine Strategy Framework Directive (MSFD) and the MSFD measures and monitoring programme. In addition, expenditure on legacy legal cases and contingency for emergency works on the foreshore did not materialise in 2019.

D.14 Marine spatial planning

Estimate provision: €500,000, outturn: €335,000

The savings of €165,000 relative to the estimate provision arose because expenditure on the development of the Marine Spatial Plan was lower than anticipated.

Programme E Met Éireann

	Estimate provision €000	2019	2018
		Outturn	Outturn
		€000	€000
E.1 Administration – pay	12,309	12,982	12,071
E.2 Administration – non-pay	11,587	9,813	5,683
E.3 Subs to international meteorological organisations	4,838	4,814	3,000
E.4 Flood forecasting and warning service	1,650	342	165
	30,384	27,951	20,919

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000). Overall, the expenditure in relation to Programme E was €2.433 million lower than provided. €1.101 million of this related to administration expenditure and has already been explained and the balance of the variance of €1.332 million was mainly due to the following:

E.4 Flood forecasting and warning service

Estimate provision: €1.65 million, outturn: €342,000

The savings of €1.308 million relative to the estimate provision was due to a delay in staff recruitment for the flood forecasting and warning service and software licencing costs being lower than anticipated.

Note 4 Receipts

4.1 Appropriations-in-aid

	2019		2018
	Estimated €000	Realised €000	Realised €000
1 Fees payable by local authorities, etc, for audit of their accounts	1,910	1,979	2,101
2 Receipt from the Social Insurance Fund in respect of premises occupied in connection with Social Insurance (Social Welfare)(Consolidation) Act 2005)	741	741	741
3 Met Éireann receipts	10,200	9,692	10,094
4 Miscellaneous receipts	200	325	105
5 Foreshore receipts	2,100	2,211	1,460
6 OSI	364	384	380
7 Receipts from additional superannuation contributions on public service remuneration ^a	40,660	43,811	54,845
8 ERDF receipts INTERREG V environment measures	2,000	1,088	—
9 Dormant Accounts Fund – Housing First Implementation	3,000	3,000	—
Total	61,175	63,231	69,726

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 €2.056 million more than the original estimate. Explanations for variances are set out below:

3 Met Éireann receipts

Estimate: €10.2 million, realised: €9.692 million

The shortfall of €508,000 reflects the difficulty of predicting the receipts from commercial services provided by Met Éireann.

4 Miscellaneous receipts

Estimate: €200,000, realised: €325,000

The increase of €125,000 was because miscellaneous receipts are difficult to predict reliably.

5 Foreshore receipts

Estimate: €2.1 million, realised: €2.211 million

The increase of €111,000 reflects the difficulty of predicting foreshore receipts precisely.

7 Receipts from additional superannuation contributions on public service remuneration*Estimate: €40.66 million, realised: €43.811 million*

The increase of €3.151 million was mainly due to outstanding 2018 pension-related deductions being received in 2019 and some of the 2019 deductions were received earlier than anticipated.

8 ERDF receipts INTERREG V environment measures*Estimate: €2 million, realised: €1.088 million*

The shortfall of €912,000 was because the drawdown by projects on the EU INTERREG V (Environment Measures) programme was slower than anticipated, which resulted in less claims from the ERDF.

4.2 Extra receipts payable to the Exchequer

	2019	2018
	€000	€000
Balance at 1 January	—	—
Irish Water – unused funding for domestic water charge refunds	6,749	1,236
Foreshore leases	6,561	—
Refund under Local authority Social Housing Investment Programme (SHIP)	1,879	107
Residential Tenancies Board pension contributions	55	47
Personal injury settlement	12	—
European Regional Development Funding	—	787
Payment under Pyrite Resolution Act 2013	—	306
Redemption of projects funded under the Voluntary Housing Capital Assistance Scheme	—	298
Transfer to the Exchequer	(15,256)	(2,781)
Balance at 31 December	—	—

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2019	2018
Number of staff at year end		
Department	782	719
Ordnance Survey Ireland	226	221
Local Government Management Agency	85	85
An Bord Pleanála	174	167
Residential Tenancies Board	87	51
Housing and Sustainable Communities Agency	82	57
Housing Finance Agency	14	11
Office of the Planning Regulator	15	—
Land Development Agency	11	—
	1,476	1,311

5.2 Pay

Remuneration of Department staff

	2019	2018
	€000	€000
Pay	43,472	39,157
Higher, special or additional duties allowance	295	303
Other allowances	1,666	1,674
Overtime	742	545
Employer's PRSI	3,297	2,746
Total pay	49,472	44,425

Agency remuneration

	2019	2018
	€000	€000
Pay	36,365	33,949
Higher, special or additional duties allowance	70	64
Other allowances	82	71
Overtime	152	211
Employer's PRSI	2,886	2,235
Total pay	39,555	36,530

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2019	2018
Department staff ^a			€	€
Higher, special or additional duties	49	9	20,874	20,597
Other allowances	138	74	28,146	27,060
Overtime	113	28	36,496	28,317
Extra remuneration in more than one category	92	73	52,706	45,755

Note ^a The pay, allowance and other remuneration details above relate to the Department's staff paid directly from the Vote under programmes A to E.

Agency staff

Higher, special or additional duties	25	1	12,365	8,691
Other allowances	57	—	7,585	7,585
Overtime	103	5	27,844	26,046
Extra remuneration in more than one category	7	1	21,945	23,004

5.4 Other remuneration arrangements

Eight retired civil servants in receipt of a civil service pension were re-engaged on a fee basis at a total cost of €38,044. These payments were consistent with the principles of the Public Services (Single Scheme and other Provisions) Act 2012.

This account includes expenditure of €158,330 in respect of five officers who were serving outside the Department for all or part of 2019 and whose salaries were paid by the Department.

5.5 Payroll overpayments

at 31 December	Number of recipients	2019	2018
		€	€
Overpayments	27	38,265	30,716
Recovery plans in place	4	7,396	9,568

Five individuals with overpayments to the value of €8,071 transferred into the Department during the year.

Note 6 Miscellaneous

6.1 Committees, commissions and special inquiries

	Year of appointment	Cumulative expenditure to end 2019 €000	2019 Expenditure €000	2018 Expenditure €000
Tribunal of inquiry into certain planning matters and payments ^a	1997	136,321	781	4,322

Note ^a Expenditure to the end of 2019 was €136.3 million. There will be further payments associated with the Tribunal of inquiry into certain planning matters and payments. Final costs cannot be determined at this point pending the determination of third party legal costs in respect of the period since 2002. On the basis of a Tribunal estimate and expenditure to the end of 2019, additional costs of some €10.3 million may arise, primarily relating to third party legal representation.

6.2 Compensation and legal costs

	Number of cases	Legal costs paid by Department €000	Compensation awarded €000	Legal costs awarded €000	2019 Total €000	2018 Total €000
Claims by employees	—	—	—	—	—	7
Claims by members of the public	7	—	5	212	217	431
		—	5	212	217	438

6.3 Late payment interest

	2019 €	2018 €
Total of interest payments	<u>3,372</u>	<u>3,480</u>

6.4 National Lottery funding

	2019 Estimate	2019 Outturn	2018 Outturn
	€000	€000	€000
Subhead			
A.9 Communal facilities	500	25	270
A.18 Private housing grants	7,327	7,327	7,508
	7,827	7,352	7,778

These payments are part funded by the National Lottery and details are available on the Department's website:

<http://www.housing.gov.ie/corporate/finance/national-lottery-funding/national-lottery-funding>

6.5 EU funding

The outturn shown in Subheads B.3 and D.13 includes payments in respect of activities which are co-financed from the European Regional Development Fund. Estimates of expenditure and actual outturns were as follows:

	2019 Estimate	2019 Outturn	2018 Outturn
	€000	€000	€000
Subhead			
B.3 Water quality programme	5,525	3,583	1,598
D.13 Foreshore	11	11	—
	5,536	3,594	1,598

6.6 Write-offs

The following sums were written off in the year

	2019 €	2018 €
Public Procurement Reforms Training Programme	21,990	—

Note 7 Fund Balances

7.1 Account of the Urban Development Fund

	2019	2018
	€000	€000
Opening balance	17,543	18,525
Receipts	—	—
Expenditure for the year	3,432	982
	14,111	17,543

The Urban Development Fund is a European Regional Development Fund (ERDF) programme to support integrated regeneration initiatives in designated urban centres. The scheme is operated by regional assemblies who are the managing authorities responsible for verifying eligible expenditure on approved projects. The Department makes funds available (on instruction by the managing authority and subject to the managing authority's verification) to reimburse local authorities on a matching funding basis. Applications for eligibility under the Fund were adjudicated on in December 2015 with the programme running for the period to the end of 2020. Payments under the programme will continue until early 2023. The balance in the Fund reflects pre-financing made available from the ERDF pending receipt of verified claims in respect of projects concerned.

7.2 Housing Agency Revolving Acquisitions Fund

	2019	2018
	€000	€000
Opening balance	70,941	71,795
Receipts from subhead A.10	—	498
Total amount advanced at 31 December	70,941	72,293
Non-recoverable costs ^a	(1,611)	(1,397)
Transfers to local authorities	—	—
Rental income	63	45
Closing balance at 31 December	69,393	70,941

Note ^a Certain costs incurred by the Agency such as legal and professional fees and other housing acquisition costs are non-recoverable and therefore reduce the overall balance of the Fund. The non-recoverable costs figure for 2019 is €1,611,000.

The Housing Agency Acquisitions Fund, which is a revolving fund, was established with the objective of acquiring some 1,600 units over the period to 2021 for social housing use.

The Housing Agency is using this Fund to acquire vacant properties from banks, investors and other owners of multiple property portfolios in areas with high levels of social housing demand. In doing this, the Agency is working in close consultation with local authorities to ensure that suitable properties are only purchased in areas where there is a demand for social housing.

The Agency sells the houses, at cost, to approved housing bodies in order to replenish the Fund. This programme will run until 2021 and, on completion of the programme, the Agency will refund the Department any closing balance of the Fund.

Appendix A Accounts of bodies and funds under the aegis of the Department of Housing, Planning and Local Government

The following table lists the bodies and funds under the aegis of the Department where the Department has an obligation to present financial statements. It indicates, as at the end of March 2020, the period to which the last audited financial statements relate and the date on which they were presented to the Oireachtas.

Body/departmental fund	Last accounting period	Date of audit report	Date received by Minister/ Department	Date presented to the Oireachtas
An Bord Pleanála	2018	19 Jun 2019	28 Jun 2019	13 Sep 2019
Ervia and Gas Networks Ireland	2018	26 Mar 2019	6 Jun 2019	27 Jun 2019
Housing Finance Agency	2018	28 Mar 2019	6 Sep 2019	20 Sep 2019
Housing and Sustainable Communities Agency ^a	2018	30 Jun 2019	6 Sep 2019	24 Oct 2019
Irish Water	2018	25 Mar 2019	6 Jun 2019	27 Jun 2019
Local Government Fund	2018	30 Jun 2019	30 Jun 2019	31 Jul 2019
Local Government Management Agency	2018	21 Mar 2019	26 Aug 2019	28 Nov 2019
Residential Tenancies Board	2018	22 Oct 2019	31 Oct 2019	20 Dec 2019
Ordnance Survey Ireland	2018	30 Jul 2019	21 Aug 2019	18 Sep 2019
Office of the Planning Regulator ^b	2019	—	—	—
Land Development Agency ^c	2019	—	—	—

Notes ^a Includes Pyrite Resolution Board.

^b The Office of the Planning Regulator was only established in April 2019 and their first set of financial statements will be for the nine months to December 2019.

^c The Land Development Agency was only established in September 2018 and their first set of financial statements will be for the 16 months to December 2019.