

## **Appropriation Account 2016**

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### **Vote 37**

### **Social Protection**

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## Introduction

As Accounting Officer for Vote 37, 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 (with effect from 2 September 2017 the Department's name changed from the Department of Social Protection to the Department of Employment Affairs and Social Protection).

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 Social Protection, for certain services administered by that Office, for payments to the Social Insurance Fund and for certain cash-limited grants.

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

A surplus of €38.95 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.

## Provision of Agency Services

During 2015, the Department was authorised by the Department of Finance to be an approved person in relation to Waterford Crystal pensioners under Section 48B of the Pensions Act 1990. Waterford Crystal pensioners' lump sum payments commenced in 2015. Waterford Crystal ongoing pension payments commenced in February 2016. The Department pays the sums due, using funds advanced from the Central Fund of the Exchequer. The amounts paid are reported in the Finance accounts.

During 2016, the Department continued to act as a paying agent for the Department of Housing, Planning, Community and Local Government under Section 5 of the Water Services Act 2015 to pay the remaining water conservation grants on its behalf. The amounts paid are reported in the appropriation account for Vote 34: the Department of Housing, Planning, Community and Local Government.

## 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:

### ***Change in accounting policy: recovery of overpayments***

Recovery of debt in respect of general/income-support scheme overpayments is brought to account as follows:

- Cash and deduction recoveries received are brought to account on the date they are matched against the relevant debt holder. Unmatched recovery amounts are held in suspense and are brought to account as income with a corresponding reduction in debt on their identification. As Vote 37 is the dominant recipient of overpayment receipts, unmatched receipts are held in a Vote 37 suspense account pending resolution and subsequent posting to Vote 37 or Social Insurance Fund (SIF) as appropriate.
- Cash and deduction recoveries in respect of previous accounting years are treated as income of the current accounting year.
- Cash and deduction recoveries in respect of the current accounting year are netted off against the expenditure for the current accounting year.

The policy in regard to the treatment of unmatched recovery amounts (see above) represents a change of policy. In previous years, unmatched recovery amounts existing at year end were temporarily brought to account as current year income and a reduction in debt and apportioned between SIF and Vote on a best estimate basis. The amounts were reversed in the subsequent year and were only permanently brought to account when matched to customer debt.

The most significant impact of the change in accounting policy is an add back to the opening debt balance at 1 January 2016 of €973,771 (€768,811 in the Vote accounts, €204,960 in the SIF accounts) in respect of unmatched recoveries previously posted against the debt balance. This is disclosed in note 6.1 of the Vote accounts (note 4 in the SIF accounts).

In addition, an amount of €1.9 million is recorded as a credit balance on the balance sheet of the Vote at the end of 2016 in respect of unmatched recoveries at that date.

### ***Recognition of payments***

Payments consist of those sums where a liability has been incurred, payment is due and the instruction for the payment (cheque or electronic funds transfer) has been effected on the relevant payment system. Cash welfare payments made through An Post are recognised upon disbursement. Where the normal due payment date falls on a Bank Holiday, it may be necessary to issue payments early. At year-end, payments issued early by electronic funds transfer by banks or encashed early by customers in Post Offices, which refer to the subsequent year, are normally recognised as prepayments.

## **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***

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between this Department and the National Shared Services Office for the provision of HR shared service.

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

### ***Control of capital assets***

A fixed asset working group was established in 2013 to address concerns around reconciliation of the Department's fixed asset register and capital assets under development to the appropriation account. The work of the group initially focused on reconciling the asset registers to the appropriation account and is now concentrating on the physical registers. During 2016, inventories were conducted at 34 of the Department's locations, and an electronic inventory of the Department's IT assets has been fully reconciled back to the Department's fixed asset registers. The total value of the physical and electronic inventories reconciled to the asset registers is €8.6 million (original cost). The value of assets written off as a result of the inventories is €18.9 million (written down value €252,480). Further physical inventories are being planned. An electronic barcoding system, for use in tagging assets, has been introduced and tagging of assets commenced in 2016.

### ***Debt reconciliations***

A new debt and receipts accounting system (DRAS) was introduced in the Department in November 2014. The system allows for the automatic recording and posting of debt recovered in its local offices, from its receipting bank accounts and by way of deduction from the Department's payments to customers.

The DRAS debtor balance at 31 December 2016 was €482 million of which €393 million relates to Vote 37 and €89 million relates to the SIF.

Also in 2016, €81.9 million was recovered via DRAS in respect of scheme overpayments of which €67.9 million was Vote related and €14 million was SIF related.

In 2015 the Statement of Internal Financial Control (SIFC) disclosed that there was

- an unexplained difference of €515,000 between the closing debtor balance as calculated by reference to reports from DRAS on the transactions in the account in the year, and the year-end debtor listing
- an unexplained difference of €1.1 million between the recoveries listed on DRAS (€79.8 million) and that recorded on the Department's accounting system (€78.7 million).

In order to address these differences the Department took the following actions in 2016 and 2017.

- A forensic analysis of the €515,000 difference using computer assisted audit techniques enabled the Department to provide the audit with a full and comprehensive reconciliation and explanation for the difference. A similar successful exercise was carried out for 2016.
- A forensic analysis incorporating a detailed data matching exercise of all recoveries recorded on DRAS with the amounts posted to the Department's accounting system for 2015 and 2016. This involved matching 1.9 million PPSN numbers and values for both years on both systems. The value of recoveries in 2016 was €81.9 million and €79.8 million in 2015. The exercise produced a match rate of 99.3% and the reconciliation has currently unresolved differences of €21,649 for 2016 and €268,410 for 2015 as compared to the €1.1 million originally reported in 2015. These differences are identifiable at PPSN level and are under investigation.

The reason for the improved results for 2016 compared to the original 2015 results stems in the main from the learning curve and application of forensic expertise needed to reconcile a new system with specific DRAS related codes to an existing accounting system in the first year of transition.

The Department acknowledges that there is further work to resolve unexplained DRAS related differences in respect of bank balances and cash on hand.

In relation to bank balances, there are unresolved differences amounting to €390,565 between the Department's bank statements and its books of account. Work carried out to date indicates there are compensating mis-postings between bank accounts and unmatched recovery suspense accounts. The Department is working to resolve all the bank balance differences for 2015 and 2016.

As mentioned in the 2015 SIFC there is also an unresolved difference being carried forward in respect of the Department's cash recovery office reports amounting to €57,777 at the end of December 2016. These 144 reports record cash on hand of €88,755 as compared to the accounting system which records cash on hand of €146,532. The difference may be due to manual mis-posting at local office level and is being investigated as part of overall ongoing DRAS remedial action.

The Department envisages that some system and business process changes will be required to prevent reoccurrence of the issues detailed above.

#### ***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.

**Public procurement**

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 guidelines.

The Department has reported ten contracts to the value of €2,209,917 in total, as they were not subject to a competitive procurement process. Details of these contracts were included in the Department's annual 40/2002 return to the Department of Public Expenditure and Reform and the Office of the Comptroller and Auditor General.

Details of the contracts are as follows:

- Two supply contracts with a total value of €496,120 were extended/rolled over as required in order to maintain a guaranteed service by suppliers that were uniquely qualified to provide the service.

The Department keeps these contracts under review and explores the most appropriate options to meet its ongoing business requirements.

- One supply contract with a value of €110,000 was to augment an existing contract to provide additional strategic software development life cycle technical support in light of escalating business demands.

The supplier is uniquely qualified to provide the service.

- One supply contract for €330,061 was necessary, for additional deliveries by the original supplier of hardware upgrades, as a change of technology would require the dismantling of the current services and the rebuilding of all functionality on a new platform.

The supplier is uniquely qualified to provide the service. (Article 32(3)(b) of Directive 2014/24/EU). A change of supplier could result in incompatibility or disproportionate technical difficulties in operation and maintenance.

- Two supply contracts with a value of €420,000 for critical application support were extended for six months to ensure continuity of service for the time required to undertake and complete an open tendering process. Procurement has since been completed in both cases and contracts awarded.
- Four other procurements with a value of €853,736 occurred while the finalisation of centralised tenders, frameworks and contracts in the Office of Government Procurement (OGP) were awaited.

Tenders have since been concluded in respect of two items with a total value of €247,736. In one case, the tender process is underway within an OGP framework agreement and a mini-competition is due to commence in Q3 2017. In another case an OGP framework agreement is not anticipated until at least Q3 2017, and the Department are considering running a separate open procurement competition.

***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.

***Significant financial risks***

The appropriation account records all the assets and liabilities of Vote 37 together with explanatory notes and balances allowing for financial risk assessment at 31 December 2016. There are no significant financial risks in respect of contingent assets or liabilities not disclosed in the account.

***Salary overpayments***

In 2016 and 2017, the Department recovered in full the amount of €222,800 in salary overpayments made to two employees. The employees had ceased employment in 2010 and 2013 respectively but had continued to be paid in error up until quarter four 2016. The Department has since reviewed and strengthened its internal controls to prevent a recurrence of such overpayments.

**John McKeon**

Accounting Officer

Department of Employment Affairs and Social Protection

26 September 2017

## **Comptroller and Auditor General**

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

#### **Vote 37 Social Protection**

I have audited the appropriation account for Vote 37 Social Protection 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 37 Social Protection 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 Social Protection. The appropriation account is in agreement with the accounting records.

***Regularity of expenditure***

Chapter 16 of my report on the accounts of the public services for 2016 relates to welfare payments in excess of entitlement included in the 2016 account for Vote 37. I consider the estimated level of irregular payment to be material.

***Non compliance with procurement rules***

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with national procurement rules occurred in respect of contracts that operated in 2016.

***Reporting on matters arising from audit***

My report on the accounts of the public services for 2016 refers to certain other matters relating to Vote 37. Chapter 17 refers to the management of social welfare overpayments. Chapter 18 refers to Department reviews of welfare schemes.

**Seamus McCarthy**  
Comptroller and Auditor General

27 September 2017

## Vote 37 Social Protection Appropriation Account 2016

		2016		2015
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>Programme expenditure</b>				
<b>Social assistance schemes, services, administration and payment to Social Insurance Fund</b>				
Administration				
	<i>Original</i>	519,102		
	<i>Supplementary</i>	(22,000)	497,102	486,368
				490,268
Pensions				
	<i>Original</i>	955,800		
	<i>Supplementary</i>	26,000	981,800	982,138
				972,206
Working age – income supports				
	<i>Original</i>	3,184,210		
	<i>Supplementary</i>	8,110	3,192,320	3,190,329
				3,670,246
Working age – employment supports				
	<i>Original</i>	1,076,120		
	<i>Supplementary</i>	(66,570)	1,009,550	996,179
				1,066,525
Illness, disability and carers				
	<i>Original</i>	2,185,030		
	<i>Supplementary</i>	145,160	2,330,190	2,330,712
				2,153,132
Children				
	<i>Original</i>	2,570,630		
	<i>Supplementary</i>	9,470	2,580,100	2,576,545
				2,444,454
Supplementary payments, agencies and miscellaneous services				
	<i>Original</i>	645,496		
	<i>Supplementary</i>	8,830	654,326	653,052
				669,848
Subvention to the Social Insurance Fund				
			1	—
				119,074
<b>Gross expenditure</b>				
	<i>Original</i>	11,136,389		
	<i>Supplementary</i>	109,000		
			<b>11,245,389</b>	<b>11,215,323</b>
<i>Deduct</i>				
<b>Appropriations-in-aid</b>				
			<b>263,960</b>	<b>272,843</b>
<b>Net expenditure</b>				
	<i>Original</i>	10,872,429		
	<i>Supplementary</i>	109,000		
			<b>10,981,429</b>	<b>10,942,480</b>
				<b>11,315,201</b>

**Surplus for surrender**

	<b>2016</b>	<b>2015</b>
	€	€
Surplus to be surrendered	<u>38,949,110</u>	<u>52,061,869</u>

**Analysis of administration expenditure**

		<b>2016</b>			<b>2015</b>
		<b>Estimate</b>	<b>Outturn</b>		
		<b>Provision</b>			<b>Outturn</b>
		<b>€000</b>	<b>€000</b>		
i.	Salaries, wages and allowances				
	<i>Original</i>	296,372			
	<i>Supplementary</i>	1,100	297,472	295,975	303,335
ii.	Travel and subsistence				
	<i>Original</i>	4,975			
	<i>Supplementary</i>	(500)	4,475	4,304	4,283
iii.	Training and development and incidental expenses				
	<i>Original</i>	12,210			
	<i>Supplementary</i>	(4,840)	7,370	6,373	5,624
iv.	Postal and telecommunications services				
	<i>Original</i>	20,000			
	<i>Supplementary</i>	(3,600)	16,400	15,901	17,843
v.	Office equipment and external IT services				
	<i>Original</i>	41,785			
	<i>Supplementary</i>	2,400	44,185	40,591	35,469
vi.	Office premises expenses				
	<i>Original</i>	20,520			
	<i>Supplementary</i>	(760)	19,760	19,839	41,703
vii.	Consultancy services				
	<i>Original</i>	750			
	<i>Supplementary</i>	(400)	350	199	493
viii.	Payments for agency services				
	<i>Original</i>	110,020			
	<i>Supplementary</i>	(14,000)	96,020	93,480	72,725
ix.	eGovernment related projects				
	<i>Original</i>	12,470			
	<i>Supplementary</i>	(1,400)	11,070	9,706	8,793
			<b><u>497,102</u></b>	<b><u>486,368</u></b>	<b><u>490,268</u></b>

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2016

	2016	2015
	€000	€000
Programme cost	10,728,955	11,095,485
Pay	295,975	303,335
Non pay	190,393	186,933
<b>Gross expenditure</b>	<b>11,215,323</b>	<b>11,585,753</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>272,843</b>	<b>270,552</b>
<b>Net expenditure</b>	<b>10,942,480</b>	<b>11,315,201</b>
<b>Changes in capital assets</b>		
Purchases cash	(19,888)	
Depreciation	11,484	
Loss on disposals	253	(8,151)
	(8,151)	6,459
<b>Changes in assets under development</b>		
Cash payments	(10,703)	(8,872)
<b>Changes in net current assets</b>		
Increase in closing accruals	6,503	
Decrease in stock	179	
	6,682	(19,345)
<b>Direct expenditure</b>	<b>10,930,308</b>	<b>11,293,443</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	51,502	49,815
Notional rents	13,472	10,927
<b>Net programme cost</b>	<b>10,995,282</b>	<b>11,354,185</b>

#### 1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 37 borne elsewhere.

		2016	2015
		€000	€000
Vote 9 Office of Revenue Commissioners	e	357	557
Vote 12 Superannuation and Retired Allowances	e	37,153	35,074
Vote 13 Office of Public Works	e	13,918	13,910
Vote 20 Garda Síochána	e	45	245
Central Fund – Ministerial pensions	e	29	29
		<u>51,502</u>	<u>49,815</u>

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

## 2 Balance Sheet as at 31 December 2016

	Note	2016 €000	2015 €000
<b>Capital assets</b>	2.2	82,032	60,710
<b>Capital assets under development</b>	2.3	18,228	19,799
		<b>100,260</b>	<b>80,509</b>
<b>Current assets</b>			
Stocks	2.5	474	653
Prepayments	2.11	67,832	69,367
Social Insurance Fund suspense account <sup>1</sup>		—	239,788
Other debit balances	2.6	205,123	157,524
<b>Total current assets</b>		<b>273,429</b>	<b>467,332</b>
<b>Less current liabilities</b>			
Bank and cash	2.4	150,196	343,314
Accrued expenses	2.11	59,770	54,802
Other credit balances	2.7	40,775	23,769
Net liability to the Exchequer	2.8	14,152	30,229
<b>Total current liabilities</b>		<b>264,893</b>	<b>452,114</b>
<b>Net current assets</b>		8,536	15,218
<b>Net assets</b>		<b>108,796</b>	<b>95,727</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>108,796</b>	<b>95,727</b>

<sup>1</sup> Represents advances from Vote 37 to the Social Insurance Fund (SIF) subvention suspense account which were not expended by year end.

2.1 State Funding Account	Note	2016 €000	2015 €000
Balance at 1 January		95,727	72,785
Adjustment	2.3	897	1,184
Disbursements from the Vote			
Estimate provision	Account	10,981,429	
Surplus to be surrendered	Account	(38,949)	
Net Vote		10,942,480	11,315,201
Expenditure (cash) borne elsewhere	1.1	51,502	49,815
Non cash expenditure – notional rent	1	13,472	10,927
Net programme cost	1	(10,995,282)	(11,354,185)
<b>Balance at 31 December</b>		<b>108,796</b>	<b>95,727</b>

**2.2 Capital Assets**

	<b>Office equipment €000</b>	<b>Furniture and fittings €000</b>	<b>Total €000</b>
<b>Gross assets</b>			
Cost or valuation at 1 January 2016	311,425	36,337	347,762
Additions	32,811	248	33,059
Disposals <sup>1</sup>	(71,858)	(3,392)	(75,250)
Cost or valuation at 31 December 2016	<u>272,378</u>	<u>33,193</u>	<u>305,571</u>
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2016	256,741	30,311	287,052
Depreciation for the year	10,280	1,204	11,484
Depreciation on disposals <sup>1</sup>	(71,857)	(3,140)	(74,997)
Cumulative depreciation at 31 December 2016	<u>195,164</u>	<u>28,375</u>	<u>223,539</u>
<b>Net assets at 31 December 2016</b>	<b><u>77,214</u></b>	<b><u>4,818</u></b>	<b><u>82,032</u></b>
<b>Net assets at 31 December 2015</b>	<b><u>54,684</u></b>	<b><u>6,026</u></b>	<b><u>60,710</u></b>

<sup>1</sup> The Department undertook an active process to identify assets included in the Department's fixed asset register, which were fully depreciated and for which no future economic benefit will accrue to the Department. 30 assets with a combined value of €56.38 million were identified under this category and retired. This process will continue in 2017. The remaining disposals are part of the Department's ongoing evaluation of assets contained in the register.

**2.3 Capital Assets under Development**

at 31 December

	<b>2016 €000</b>	<b>2015 €000</b>
<b>In-house computer applications</b>		
Amounts brought forward at 1 January 2016	19,799	20,163
Adjustment <sup>1</sup>	897	1,184
Cash payments for the year <sup>2</sup>	10,703	8,872
Transferred to asset register	(13,171)	(10,420)
Balance at 31 December 2016	<u>18,228</u>	<u>19,799</u>

<sup>1</sup> Adjustment relates to cash payments in previous years for the development of computer applications not previously included.

<sup>2</sup> Cash payments do not include in-house developed software which is fully developed during the course of the year. Those payments are included in capital asset additions.

**2.4 Bank and Cash**

at 31 December	2016	2015
	€000	€000
An Post advance balances	78,809	99,003
PMG balances (overdraft)	(365,039)	(448,557)
Commercial bank and cash	136,034	6,240
	<u>(150,196)</u>	<u>(343,314)</u>

As scheme paying agent, An Post is pre-funded by Vote 37 and the SIF to meet the Department's expenditure liabilities as they fall due. At the end of 2016, the combined balance held by An Post in respect of Vote 37 and the SIF was €126,357,506. The combined corresponding balance at the end of 2015 was €196,105,089.

**2.5 Stocks**

at 31 December	2016	2015
	€000	€000
Stationery	434	615
IT consumables	40	38
	<u>474</u>	<u>653</u>

**2.6 Other Debit Balances**

at 31 December	2016	2015
	€000	€000
Advances to An Post for postage expenditure	1,007	1,007
Advances to OPW for office furniture, building and electrical work	552	309
Advances to Pobal	6,699	8,122
Scheme prepayments <sup>1</sup>	12,116	—
Other debit suspense	740	2,245
Due from SIF in respect of		
- SIF schemes	19,821	134,981
- Vote schemes	164,188	10,860
	<u>205,123</u>	<u>157,524</u>

<sup>1</sup> At 31 December 2016 there were prepayments for Vote schemes of €12,115,936 of which €10,247,002 were made via An Post and €1,868,934 were made via bank electronic funds transfer.

**2.7 Other Credit Balances**

at 31 December	2016	2015
	€000	€000
<b>Amounts due to the State</b>		
Income Tax	5,038	3,718
Superannuation contributions	779	827
Pay Related Social Insurance	3,608	2,300
Interstat Value Added Tax	65	82
Professional Services Withholding Tax	2,442	605
Local Property Tax <sup>1</sup>	51	23
Extra Exchequer receipts	19	6
	<u>12,002</u>	<u>7,561</u>
Payroll deductions	3,988	3,590
Due to SIF in respect of Vote schemes	18,611	10,985
Unmatched overpayment recoveries	1,885	—
Other credit suspense items	4,289	1,633
	<u>40,775</u>	<u>23,769</u>

<sup>1</sup> Under Section 84 of the Finance (Local Property Tax) Act 2012, the Revenue Commissioners may direct the Department to make deductions from certain scheme payments in respect of liable persons for local property tax.

The Department also make voluntary deductions from some staff salaries in respect of the tax. These deductions commenced in 2013 and are paid to the Revenue Commissioners in the month following deduction.

**2.8 Net Exchequer Funding due**

at 31 December	2016	2015
	€000	€000
Surplus to be surrendered	38,949	52,062
Exchequer grant undrawn	(24,797)	(21,833)
Net Exchequer funding due	<u>14,152</u>	<u>30,229</u>

**Represented by:****Debtors**

Debit balances: suspense	<u>205,123</u>	<u>397,312</u>
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**Creditors**

Banks and cash	(150,196)	(343,314)
Due to State	(12,002)	(7,561)
Credit balances: suspense	(28,773)	(16,208)
	<u>(190,971)</u>	<u>(367,083)</u>
	<u>14,152</u>	<u>30,229</u>

**2.9 Commitments**

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

**a) Global Commitments**

Procurement of goods and services	26,027	29,616
Capital projects	11,781	23,038
Total of legally enforceable commitments	<u>37,808</u>	<u>52,654</u>

**b) Major Capital Commitments**

Project	Cumulative expenditure to 31 December 2015	Expenditure in 2016	Project commitments in subsequent years	Expected total spend lifetime of project 2016	Expected total spend lifetime of project 2015
	€000	€000	€000	€000	€000
Public Services Card	21,544	5,446	4,218	31,208	30,815
Activation and Case Management	5,656	4,364	1,422	11,442	11,442

**2.10 Matured Liabilities**

at 31 December	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>
Estimate of matured liabilities not discharged at year end	147	195

**2.11 Accruals and Prepayments Analysis**

	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>

**(a) Accrued expenses**

Administration	1,417	2,178
Office expenses	4,006	3,850
Consultancy	94	264
Programmes	54,210	48,504
Miscellaneous	43	6
	<u>59,770</u>	<u>54,802</u>

**(b) Prepayments**

Administration	107	558
Office expenses	1,585	2,779
Consultancy	29	24
Programmes	66,105	66,000
Miscellaneous	6	6
	<u>67,832</u>	<u>69,367</u>

### 3 Programme Expenditure by Subhead

#### A. Social Assistance Schemes, Services, Administration and Payment to Social Insurance Fund

			2016	2015
			Estimate provision	Outturn
		€000	€000	€000
<b>Administration</b>				
A.1	Administration – pay			
	<i>Original</i>	296,372		
	<i>Supplementary</i>	1,100	297,472	295,975
A.2	Administration – non pay			
	<i>Original</i>	222,730		
	<i>Supplementary</i>	(23,100)	199,630	190,393
<b>Pensions</b>				
A.3	State Pension (Non-Contributory)			
	<i>Original</i>	955,800		
	<i>Supplementary</i>	26,000	981,800	982,138
<b>Working Age – Income Supports</b>				
A.4	Jobseeker's Allowance		2,452,900	2,452,332
A.5	One-Parent Family Payment			2,742,505
	<i>Original</i>	500,050		
	<i>Supplementary</i>	2,210	502,260	500,699
A.6	Widows'/Widowers'/Surviving Civil Partner's (Non-Contributory) Pension			
	<i>Original</i>	15,800		
	<i>Supplementary</i>	(1,250)	14,550	14,557
A.7	Deserted Wife's Allowance		1,700	1,736
A.8	Basic Supplementary Welfare Allowance Payments			2,132
	<i>Original</i>	79,660		
	<i>Supplementary</i>	9,190	88,850	89,018
A.9	Farm Assist			91,729
	<i>Original</i>	85,000		
	<i>Supplementary</i>	(6,100)	78,900	78,831
A.10	Pre-retirement Allowance		8,500	8,607
A.11	Other Working Age – income supports			16,268
	<i>Original</i>	40,600		
	<i>Supplementary</i>	4,060	44,660	44,549
<b>Working Age – Employment Supports</b>				
A.12	Community Employment Programme			
	<i>Original</i>	376,500		
	<i>Supplementary</i>	(21,500)	355,000	356,341
A.13	Rural Social Scheme		44,330	42,393
A.14	Tús – Community Work Placement Scheme			44,105
	<i>Original</i>	121,080		
	<i>Supplementary</i>	1,620	122,700	118,604
A.15	Jobs Initiative		20,410	20,150
A.16	Community Services Programme		45,190	43,644
A.17	Back to Work Allowance			42,730
	<i>Original</i>	130,900		
	<i>Supplementary</i>	(6,530)	124,370	124,383

			<b>Estimate provision</b>	<b>2016 Outturn</b>	<b>2015 Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
A.18	National Internship Scheme – JobBridge	<i>Original</i> 51,980 <i>Supplementary</i> (14,900) <hr/>	37,080	37,793	63,489
A.19	Back To Education Allowance	<i>Original</i> 121,080 <i>Supplementary</i> (4,590) <hr/>	116,490	114,829	143,965
A.20	Gateway	<i>Original</i> 33,380 <i>Supplementary</i> (11,860) <hr/>	21,520	21,183	29,543
A.21	Back to Work Family Dividend	<i>Original</i> 31,920 <i>Supplementary</i> (3,200) <hr/>	28,720	28,454	14,422
A.22	JobsPlus	<i>Original</i> 27,240 <i>Supplementary</i> (3,340) <hr/>	23,900	23,679	22,630
A.23	Wage Subsidy Scheme	<i>Original</i> 21,560 <i>Supplementary</i> 370 <hr/>	21,930	19,403	16,392
A.24	Other Working Age – Employment Supports	<i>Original</i> 50,550 <i>Supplementary</i> (2,640) <hr/>	47,910	45,323	48,947
<b>Illness, Disability And Carers</b>					
A.25	Disability Allowance	<i>Original</i> 1,288,000 <i>Supplementary</i> 70,310 <hr/>	1,358,310	1,357,989	1,281,589
A.26	Blind Pension	<i>Original</i> 14,050 <i>Supplementary</i> (350) <hr/>	13,700	13,660	14,379
A.27	Carer's Allowance	<i>Original</i> 607,320 <i>Supplementary</i> 46,910 <hr/>	654,230	653,667	611,139
A.28	Domiciliary Care Allowance	<i>Original</i> 118,060 <i>Supplementary</i> 14,420 <hr/>	132,480	133,075	120,882
A.29	Respite Care Grant	<i>Original</i> 157,600 <i>Supplementary</i> 13,870 <hr/>	171,470	172,321	125,143

			<b>2016</b>	<b>2015</b>
			<b>Estimate provision</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Children</b>				
A.30	Child Benefit			
		<i>Original</i> 2,074,050		
		<i>Supplementary</i> 3,960	2,078,010	2,078,111
A.31	Family Income Supplement			1,990,299
		<i>Original</i> 410,300		
		<i>Supplementary</i> 3,490	413,790	415,437
A.32	Back-To-School Clothing And Footwear Allowance			367,872
		<i>Original</i> 38,800		
		<i>Supplementary</i> 1,310	40,110	39,810
A.33	School Meals Schemes		42,000	36,886
				38,777
A.34	Child Related Payments			
		<i>Original</i> 5,480		
		<i>Supplementary</i> 710	6,190	6,301
				6,164
<b>Supplementary Payments, Agencies and Miscellaneous Services</b>				
A.35	Rent Supplement			
		<i>Original</i> 266,750		
		<i>Supplementary</i> 9,150	275,900	275,294
A.36	Mortgage Interest Supplement			311,059
		<i>Original</i> 7,000		
		<i>Supplementary</i> (350)	6,650	6,558
A.37	Household Benefits Package			11,922
		<i>Original</i> 87,549		
		<i>Supplementary</i> (5,679)	81,870	83,915
A.38	Free Travel		80,000	77,112
A.39	Fuel Allowance			75,244
		<i>Original</i> 143,495		
		<i>Supplementary</i> 9,250	152,745	154,701
A.40	Grant to the Citizens Information Board		50,000	49,178
A.41	Office of the Pensions Ombudsman			46,000
		<i>Original</i> 1,050		
		<i>Supplementary</i> (431)	619	533
A.42	Miscellaneous services			877
		<i>Original</i> 9,652		
		<i>Supplementary</i> (3,110)	6,542	5,761
				6,017
<b>Subvention to the Social Insurance Fund</b>				
A.43	Payment to the Social Insurance Fund under Section 9(9)(a) of the Social Welfare Consolidation Act 2005		1	—
				119,074
<b>Total</b>			<b>11,245,389</b>	<b>11,215,323</b>
				<b>11,585,753</b>

**Significant variations**

Overall, the expenditure was €78.9 million more than originally provided. An explanation is provided below in the case of each heading where the outturn varied from the original estimate by more than €100,000 and by 25% in the case of administration subheads and 5% in the case of all other subheads.

Description	Less/ (more) than originally provided	Explanation
	€000	
<b>Administration</b>		
Training and development and incidental expenses (A.2.iii)	5,837	<p>The original estimate was €12.2 million and the outturn was €6.4 million or €5.8 million lower.</p> <p>The estimate contained a contingency provision of €3.9 million that was not required. In addition, €1.9 million of savings were achieved on various other incidental expenses including advertising, staff training, room hire and compensation and legal fees.</p> <p>The outturn of €6.4 million is 13% (€997,000) less than the final allocation. Expenditure under this subhead includes legal costs and it was necessary to ensure there was adequate provision for any unforeseen expenditure. The savings were used to fund excess expenditure on other subheads.</p>
Consultancy services (A.2.vii)	551	<p>The original estimate was €750,000 and the outturn was €199,000 or €551,000 lower.</p> <p>A reduction in the estimate was made because</p> <ul style="list-style-type: none"> <li>(i) the external consultancy service requirements were reassessed during 2016</li> <li>(ii) some projects were postponed</li> <li>(iii) other projects did not proceed as originally profiled.</li> </ul> <p>The final outturn of €199,000 is 43% (€151,000) less than the final allocation. This was mainly because some invoices were not received in time for payment in 2016. The savings were used to fund excess expenditure on other subheads.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
<b>Working Age – Income Supports</b>		
Widows'/Widowers'/ Surviving Civil Partner's (Non-Contributory) Pension (A.6)	1,243	<p>The original estimate was €15.8 million, and the outturn was €14.6 million or €1.2 million lower.</p> <p>The reasons for the underspend were:</p> <ul style="list-style-type: none"> <li>(i) The actual average number of recipients (1,570) were 120 lower than provided for in the original estimate (1,690). Saving was - €1.1 million.</li> <li>(ii) Average payment values (€175.66) were -€0.78 lower than provided for in the original estimate (€176.44). Saving was -€0.07 million.</li> <li>(iii) Other factors (overpayment recoveries) – actual -€0.044 million compared to original estimate of €0.013 million resulted in a saving of €0.031 million.</li> </ul> <p>An amount of €1.25 million was surrendered as part of the supplementary estimate to reflect emerging trends. The final outturn was just €7,000 (0.05%) higher than provided for in the final allocation. The overspend was funded through virement from subheads with underspends elsewhere in the Vote.</p>
Basic Supplementary Welfare Allowance Payments (A.8)	(9,358)	<p>The original estimate was €79.7 million and the final outturn was €89 million, or almost €9.4 million higher.</p> <p>The outturn was higher for the following reasons:</p> <ul style="list-style-type: none"> <li>(i) The actual average number of recipients (15,220) were 320 higher than provided for in the original estimate (14,900). This cost an additional €1.5 million.</li> <li>(ii) Average payment values (€190.07) were higher than provided for in the original estimate (€187.83). This cost an additional €1.8 million (of which €0.55 million related to the non-provision for a Christmas bonus in the original estimate).</li> <li>(iii) Actual transfers of expenditure to other schemes (when a final decision on scheme entitlement had been made) were -€59.9 million compared to -€66 million provided for in the original estimate. This cost €6.1 million.</li> </ul> <p>A supplementary estimate of €9.2 million was provided to reflect emerging trends. The final outturn was €0.2 million (0.2%) higher than the final allocation. The overspend was funded through virement from subheads with underspends elsewhere in the Vote.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
Farm Assist (A.9)	6,169	<p>The original estimate was €85 million and the outturn was €78.8 million or €6.2 million lower.</p> <p>The reasons for the underspend are as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average number of recipients (8,240) were lower than provided for in the estimate (9,050) due to improved labour market. This saved €7.7 million.</li> <li>(ii) Offset by actual average payment values (€183.96) being higher than provided for in the original estimate (€180.96). This cost €1.5 million, which was the equivalent to the cost of paying the Christmas bonus.</li> </ul> <p>An amount of €6.1 million was surrendered as part of the supplementary estimate to reflect emerging trends. The final outturn was €0.1 million (0.1%) lower than the final allocation.</p>
Other Working Age – income supports (A.11)	(3,949)	<p>The original estimate was €40.6 million and the outturn was €44.5 million, a difference of €3.9 million.</p> <p>The reasons for the overspend were as follows:</p> <ul style="list-style-type: none"> <li>(i) Higher expenditure on Exceptional Needs Payments e.g. homeware - outturn was €32.2 million, €1.9 million higher than the original estimate of €30.3 million. This is due to: (a) actual average payment values (€339.84) were higher than provided for in the original estimate (€307.61) – this cost €3.1 million, offset by (b) actual number of payments (94,756) were lower than provided for in the original estimate (98,500) – this saved €1.2 million. The once-off nature of the scheme means that it is more difficult to predict future payment numbers and average payment values than for schemes with a regular frequency.</li> <li>(ii) Higher expenditure on Other Supplements e.g. food and travel - outturn was €6.7 million, €0.5 million higher than provided for in the original estimate (€6.2 million). This was mainly due to actual recipients (4,250) being 253 higher than provided for in the original estimate (3,997).</li> <li>(iii) Higher expenditure on Direct Provision Allowance - outturn was €3.98 million, approximately €0.4 million higher than the original estimate (€3.6 million). This was due to actual recipients (2,416) being higher than provided for in the estimate (2,227).</li> <li>(iv) Higher expenditure on Humanitarian Aid - outturn was €1.68 million original estimate was €0.5 million. It is difficult to predict the requirement for humanitarian aid in any given year given the unpredictable nature of the weather. Winter storms of late 2015 resulted in increased demand in 2016. The higher than expected demand cost an additional €1.2 million.</li> </ul> <p>A supplementary estimate of €4.1 million was provided. The final outturn was €111,000 (0.2%) less than the final allocation.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
<b>Working Age – Employment Supports</b>		
Community Employment Programme (A.12)	20,159	<p>The original estimate was €376.5 million and the outturn was €356.3 million, a difference of €20.2 million.</p> <p>The reasons for the underspend are as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average participant numbers (22,567) were lower than provided for in the estimate (23,735) due to an improved labour market. This saved €14.6 million.</li> <li>(ii) Actual advances to/recoupments from projects net position at end of year (-€0.2 million) was lower than provided for in the estimate (+€5.1 million). Advances relate to 2016, recoupments can relate to both 2016 and earlier years. This saved €5.3 million.</li> <li>(iii) €0.3 million net saving due to a range of offsetting factors.</li> </ul> <p>An amount of €21.5 million was surrendered as part of the supplementary estimate to reflect emerging trends. The outturn was €1.3 million (0.4%) higher than the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.</p>
Back To Work Allowance (A.17)	6,517	<p>The original estimate was €130.9 million and the outturn was €124.4 million, a difference of €6.5 million.</p> <p>The reasons for the underspend are as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average recipient numbers (11,750) were lower than provided for in the estimate (12,430) due to an improved labour market. This saved €7.1 million.</li> <li>(ii) Actual average payment values (€203.32) were higher than provided for in the estimate. This cost €1 million.</li> <li>(iii) Actual adjustments to other schemes (€0.12 million) compared to provision in the estimate (€0.54 million). This saved €0.4 million.</li> </ul> <p>An amount of €6.5 million was surrendered as part of the supplementary estimate to reflect emerging trends. Outturn was just €13,000 (0.01%) higher than the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
National Internship Scheme – JobBridge (A.18)	14,187	<p>The original estimate was €51.98 million, the outturn was €37.8 million or €14.2 million lower.</p> <p>The reasons for the underspend are as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average number of recipients (3,120) were lower than provided for in the original estimate (4,273) – the scheme was closed to new entrants from October 2016, with a trend reduction prior to this due to an improved labour market. This saved €14.03 million.</li> <li>(ii) Actual average payment values (€232.87) were lower than provided for in the original estimate (€233.86). This saved €0.16 million.</li> </ul> <p>An amount of €14.9 million was surrendered as part of the supplementary estimate to reflect emerging trends. The final outturn was €0.7 million (1.9%) higher than the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.</p>
Back To Education Allowance (A.19)	6,251	<p>The original estimate was €121.1 million, the outturn was €114.8 million or almost €6.3 million lower.</p> <p>The reasons for the underspend were as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average number of recipients (15,259) during academic terms (Jan-May, Oct-Dec) were lower than provided for in the original estimate (16,270), due to an improved labour market. This saved €6.8 million.</li> <li>(ii) Offset by actual average weekly payment values (€198.02) being higher than provided for in the estimate (€197.50). This cost €0.2 million.</li> <li>(iii) Actual expenditure over the summer months (June to Sept) of €11.7 million was €0.4 million more than provided for in the estimate (€11.3 million).</li> </ul> <p>An amount of €4.6 million was surrendered as part of the supplementary estimate. The outturn was almost €1.7 million (1.4%) lower than the final allocation.</p>
Gateway (A.20)	12,197	<p>The original estimate was €33.4 million, the outturn was €21.2 million or €12.2 million lower.</p> <p>The reasons for the underspend are as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average participants (1,600) were lower than provided for in the estimate (2,400). This saved almost €11 million.</li> <li>(ii) Actual average payment values (€248.27) were lower than provided for in the estimate (€263.27). This saved €1.2 million.</li> </ul> <p>An amount of €11.9 million was surrendered as part of the supplementary estimate. The outturn was €0.3 million (1.6%) lower than the final allocation.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
Back to Work Family Dividend (A.21)	3,466	The original estimate was €31.9 million, the outturn was €28.5 million or €3.4 million lower.  The reasons for the underspend are as follows:  (i) Actual average recipients (11,500) were lower than provided for in the original estimate - new scheme introduced during 2015 with the first payments issuing in May 2015 - as with all new schemes, it takes time to develop. This saved €3.3 million.  (ii) Actual average payment values (€47.57) were lower than provided for in the original estimate (€47.83). This saved around €0.2 million.  An amount of €3.2 million was surrendered as part of the supplementary estimate. The outturn was almost €0.3 million (0.9%) lower than the final allocation.
JobsPlus (A.22)	3,561	The original estimate was €27.2 million, the outturn was €23.7 million or €3.5 million less.  The reason for the underspend is that actual average participants (4,003) were lower than provided for in the estimate (6,000) due to delays in getting tax clearance from participating employers.  An amount of €3.3 million was surrendered as part of the supplementary estimate. The outturn was €0.2 million (0.9%) lower than the final allocation.
Wage Subsidy Scheme (A.23)	2,157	The original estimate was €21.6 million, the outturn was €19.4 million, or €2.2 million lower.  The reasons for the underspend were as follows:  (i) Actual average participants (2,153) were lower than provided for in the estimates (2,350). The saving was €1.7 million.  (ii) Actual average monthly payment per participant (€697.42) were lower than provided for in the original estimate (€717.48), due to timing of invoices from employers, average monthly payments can vary significantly from month to month. This saved €0.5 million.  A supplementary estimate of almost €0.4 million was provided. The outturn was €2.5 million (11.5%) lower than the final allocation. The reason for this significant variance is due to a mis-posting of expenditure of €1.7 million that was not identified by the Department's control mechanisms until after the supplementary estimate had been produced.

Description	Less/ (more) than originally provided	Explanation
	€000	
Other Working Age – Employment Supports (A.24)	5,227	This subhead provides a range of employment supports under 12 different headings. The original estimate was €50.6 million, the outturn was €45.3 million or €5.3 million lower.

The main reasons for the underspend were:

- (i) Outturn on Employability Service was €8.6 million, when the estimate was €9.7 million, resulting in an underspend of €1.1 million - reasons are (a) actual participant salaries (€6.9 million) were lower than provided for in the estimate (€7.7 million). This saved €0.8 million and (b) actual operational costs (€0.2 million) were lower than provided for in the estimate (€0.5 million). This saved €0.3 million.
- (ii) Outturn on Disability Activation Supports was €0.5 million, when the estimate was €1.4 million. This is due to slower than anticipated progress on the Disability Activation Project during 2016 which meant that expenditure will not now happen until 2017.
- (iii) Outturn on Technical Support Grant (TSG) was €3.1 million. The estimate provided for €4 million, a saving of €0.9 million. Previously, mediator interventions administered from the Local Employment Service (LES) were charged to TSG, when the LES allocated funding was fully utilised. This is no longer happening and all expenditure relating to mediator interventions is now being charged to LES. The TSG estimate for 2016 did not take this into account. Also, the positive labour market has resulted in a lower demand for the TSG scheme.
- (iv) Outturn on the Local Employment Service was €18.4 million. The estimate was €19.1 million. This saved €0.7 million. This is made up of 3 elements: (a) actual staff costs of the LES outturn was €14 million compared to €14.2 million provided for in the estimate. This resulted in a saving of €0.2 million. (b) LES operational actual costs were €3.3 million compared to €3.9 million provided for in the estimate. This resulted in a saving of €0.6 million. (c) actual LES mediator interventions were €1.14 million compared to €1 million in the estimate. This cost €0.14 million.
- (v) Outturn on Job Clubs was €5.4 million, while the original estimate was €6 million resulting in a saving of €0.6 million. This is made up of 3 elements: (a) Job Club salaries outturn was €4 million, compared to an original estimate of €4.2 million. This saved €0.2 million. (b) Job Club travel and subsistence outturn was €0.3 million, compared to an original estimate of €1.2 million. This resulted in a saving of almost €0.9 million. (c) Job Club operational costs outturn was €1.05 million compared to an original estimate of €0.57 million. This cost €0.48 million.

Description	Less/ (more) than originally provided	Explanation
	€000	
		(vi) A net saving of €1.1 million on the remaining 7 items within the subhead due to a range of offsetting factors.
		An amount of €2.6 million was surrendered as part of the supplementary estimate. The outturn was almost €2.6 million (5.4%) lower than the final allocation.
<b>Illness, Disability and Carers</b>		
Disability Allowance (A.25)	(69,989)	The original estimate was €1,288 million, the outturn was €1,358 million or €70 million more.
		The reasons for the overspend were as follows:
		<ul style="list-style-type: none"> <li>(i) Actual average recipients (121,870) were higher than provided for in the original estimate. This cost €27.5 million.</li> <li>(ii) Actual average payment values (€207.42) were higher than provided for in the original estimate (€203.72). This cost €23.3 million, of which €21.6 million related to the payment of the Christmas bonus, for which there was no provision in the original estimate.</li> <li>(iii) Actual transfers of expenditure charged to Disability Allowance from other schemes (when a final decision on scheme entitlement had been made) (€43.2 million) were higher than provided for in the original estimate (€24 million). This cost €19.2 million.</li> </ul>
		The increase in recipient numbers is driven by a combination of demographic factors (increasing and aging population), socio-economic factors (such as the need for the social protection system to provide for increasing inequality in market incomes – pre-transfer and taxes) as well as other factors (greater awareness, impact of other programmes, etc).
		A supplementary estimate of €70.3 million was sought to reflect emerging trends and to fund the payment of a Christmas bonus. The outturn was just over €0.3 million (0.02%) lower than the final allocation.

Description	Less/ (more) than originally provided	Explanation
	€000	
Carer's Allowance (A.27)	(46,347)	<p>The original estimate of €607.3 million, the outturn was €653.7 million or €46.4 million higher.</p> <p>The reasons for the overspend were as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average recipient numbers (65,740) were higher than provided for in the original estimate (62,860). This cost €27.7 million.</li> <li>(ii) Actual average payment values (€189.93) were higher than provided for in the original estimate (€184.52). This cost €18.5 million.</li> <li>(iii) Actual transfers of expenditure charged to Carer's Allowance from other schemes (when a final decision on scheme entitlement had been made) were higher (€3.7 million) compared to the original estimate (€3.5 million). This cost €0.2 million.</li> </ul> <p>Carer's Allowance covers the provision of full time care and attention by a carer to people with disabilities of all ages from infants to centenarians subject to medical assessment. As the population ages and awareness of the scheme increases, the potential for higher numbers is greater.</p> <p>A supplementary estimate of €46.9 million was provided to reflect emerging trends. The outturn was almost €0.6 million (0.1%) less than the final allocation.</p>
Domiciliary Care Allowance (A.28)	(15,015)	<p>The original estimate was €118.1 million, the outturn was €133.1 million or €15 million higher.</p> <p>The reasons for the overspend were as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average recipients (30,440) were higher than provided for in the original estimate (29,275). This cost €4.7 million.</li> <li>(ii) Actual average monthly payment values (€364.47) were higher than provided for in the original estimate (€336.47). This cost €10.3 million, of which €2.2 million related to the payment of the Christmas bonus.</li> </ul> <p>A supplementary estimate of €14.4 million was provided to reflect emerging trends and to fund a Christmas bonus. The outturn was €0.6 million (0.4%) higher than the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
Respite Care Grant (A.29)	(14,721)	The original estimate was €157.6 million, the outturn was €172.3 million or €14.7 million more.  The reason for the overspend is because actual number of payments (93,662) were higher than provided for in the estimate (85,650) - due to higher demand on qualifying schemes including Carer's Allowance, Carer's Benefit and Domiciliary Care Allowance. This resulted in extra expenditure of €14.7 million.  A supplementary estimate of €13.9 million was provided to reflect emerging trends. The outturn was €0.9 million (0.5%) higher than the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.
<b>Children</b>		
School Meals Schemes (A.33)	5,114	The original estimate was €42 million, the outturn was €36.9 million or €5.1 million lower.  There are two instalments to school meals expenditure - the following was the position in 2016:  (i) Second instalment due to schools for the 2015/2016 academic year, actual expenditure was €21.9 million, in line with estimate. (ii) First instalment due to schools for the 2016/2017 academic year, actual expenditure €15 million, €5.1 million lower than provided for in the original estimate. This was due to delays in schools submitting applications and satisfying the scheme conditions to enable payments to issue before end of 2016.  The outturn was €36.9 million, which was €5.1 million (12.1%) lower than its allocation.
Child Related Payments (A.34)	(821)	The original estimate was €5.5 million, the outturn was €6.3 million or €0.8 million higher.  The supplementary estimate was required because actual expenditure on Guardian's Payment (Non-Contributory) at €5.9 million was higher than provided for in the original estimate (€5.1 million). This was due to actual average recipients (470) being higher than provided for in the original estimate (420). This cost €0.8 million.  A supplementary estimate of €0.7 million was provided to reflect emerging trends. The outturn was €0.1 million higher than the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.

Description	Less/ (more) than originally provided	Explanation
<b>€000</b>		
<b>Supplementary Payments, Agencies and Miscellaneous Services</b>		
Mortgage Interest Supplement (A.36)	442	<p>The original estimate was €7 million, the outturn was almost €6.6 million or €0.4 million lower.</p> <p>The main reason for the underspend is that actual average recipients (2,133) were lower than the original estimate (2,748) resulting in a saving of €0.6 million.</p> <p>An amount of €0.35 million was surrendered as part of the supplementary estimate. The outturn was €0.09 million (1.4%) less than the final allocation.</p>
Fuel Allowance (A.39)	(11,206)	<p>The original estimate was €143.5 million the outturn was €154.7 million or €11.2 million higher.</p> <p>The reasons for the overspend were as follows:</p> <ul style="list-style-type: none"> <li>(i) Actual average recipients (253,814) were higher than provided for in the original estimate (250,087) due to demand from qualifying schemes being greater than provided in the original estimate. This cost €2.1 million.</li> <li>(ii) Actual average payment values (€23.44) were higher than provided in the original estimate (€22.07). This cost €9.1 million.</li> </ul> <p>A supplementary estimate of €9.25 million was provided to reflect emerging trends. The outturn was €2 million (1.3%) higher than provided in the final allocation. Virement of savings on other subheads in the Vote was used to fund the excess expenditure.</p>
Office of the Pensions Ombudsman (A.41)	517	<p>The original estimate was €1.05 million, the outturn was €0.53 million which was €0.52 million lower.</p> <p>The reasons for the underspend are as follows:</p> <ul style="list-style-type: none"> <li>(i) Amalgamation with the Financial Services Ombudsman's Bureau did not take place in 2016 as envisaged in the estimate.</li> <li>(ii) There were savings on staff costs, legal fees and other administration costs.</li> </ul> <p>An amount of €0.43 million was surrendered as part of the supplementary estimate. The outturn was almost €0.1 million (13.9%) lower than the final allocation.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
Miscellaneous Services (A.42)	3,891	The original estimate was €9.65 million, the outturn was €5.76 million or almost €3.9 million lower.
		The reasons for the underspend are:
		<ul style="list-style-type: none"> <li>(i) Actual expenditure on Food Aid (€1.1 million) being lower than the original estimate (€4.0 million) due to slower than planned set-up of the Food Aid programme. The saving was €2.9 million.</li> <li>(ii) No expenditure on Training for Carers initiative when the original allocation was €0.5 million. Due to constraints outside of the Department's and Pobal's control it was not feasible to proceed with the measure in 2016. The Department is liaising with Pobal and the Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs with a view to introducing the measure in 2017. Saving was €0.5 million.</li> <li>(iii) Actual expenditure on ex-gratia payments to women from Magdalen Laundries and other Institutions outturn was approximately €3.3 million when the original allocation was €3.6 million. The saving was in the order of €0.35 million.</li> <li>(iv) €0.1 million net saving due to a range of other factors.</li> </ul>
		An amount of €3.1 million was surrendered as part of the supplementary estimate. The outturn was €0.8 million (11.9%) less than the final allocation.

## 4 Receipts

### 4.1 Appropriations-in-aid

	2016		2015
	Estimated	Realised	Realised
	€000	€000	€000
<b>Social Insurance Fund Transfer to Vote 37</b>			
1. Recovery of administration expenses from the Social Insurance Fund	177,280	177,280	177,600
<b>Appropriations-in-aid: Other</b>			
2. Recoveries of social assistance overpaid	53,660	62,138	56,213
3. Repayment from the Social Insurance Fund of amounts paid initially as social assistance	6,000	4,616	5,470
4. Receipts under "Liability to Maintain Family" provisions in Part XII of the Social Welfare (Consolidation) Act 2005	320	164	346
5. Receipts from the General Register Office	480	423	454
6. Receipts from European Social Fund for activation and participation of people with disabilities	3,630	2,677	—
7. Receipts from pension-related deduction on public service remuneration	10,800	10,371	15,167
8. Receipts from EURES European Job Mobility Fund	—	120	430
9. Receipts from National Training Fund (Community Employment)	7,400	7,100	7,400
10. Receipts from Pensions Authority – staff superannuation	810	603	578
11. Homeless Unit operational costs – contributions from external agencies	200	829	321
12. Recovery of social assistance from Insurance claims	1,920	2,012	1,999
13. Miscellaneous	1,460	4,510	3,650
— Receipts from the European Commission for the Youth Guarantee Scheme	—	—	27
— Receipts from Department of Health – Drugs Task Force (Employment Programme) <sup>1</sup>	—	—	(10)
— Dormant Account Receipts	—	—	907
<b>Total</b>	<b>263,960</b>	<b>272,843</b>	<b>270,552</b>

<sup>1</sup> Refund of unspent funds to the Department of Health.

**Significant variations**

Overall, Appropriations-in-Aid were €8.88 million more than originally estimated, representing a variance of 3.4%. An explanation is provided below in the case of each heading where the amount realised varied from the original estimate by more than €100,000 and by more than 5%.

Description	Less/ (more) than originally provided	Explanation
	€000	
Recoveries of social assistance overpaid	(8,478)	<p>Actual overpayment recoveries treated as income from social assistance schemes funded from Vote 37 were €62.1 million, compared to a provision of just under €53.7 million in the original estimate, resulting in receipts being €8.4 million higher. This was made up of €37.7 million cash receipts and €24.4 million from deductions withheld.</p> <p>2015 was the first year which saw a full year's trend following a change in the accounting treatment of overpayment recoveries. Previously, overpayments by way of deductions were netted off against scheme expenditure rather than reported as income.</p> <p>The expectation in 2015 quarter four when the 2016 REV estimate was being prepared was that 2016 might achieve a similar yield to the then forecast end 2015 outturn. In the event the 2016 outturn was more positive with cash recoveries delivering €7.9 million more than in 2015 and overpayment deduction recoveries treated as income yielding just €0.8-million less than 2015.</p>
Repayment from the Social Insurance Fund of amounts paid initially as social assistance	1,384	<p>This subhead is used to record the recovery of social assistance from the SIF where inter-scheme adjustment is effected after close of the financial year. Receipts can vary significantly from month to month. In 2016, monthly receipts varied from under €200,000 to €1.1 million.</p> <p>The expectation in 2015 quarter four when the 2016 REV estimate was being prepared was that receipts might be higher for 2015 and 2016. The outturn was significantly lower.</p>
Receipts under "Liability to Maintain Family" provisions in Part XII of the Social Welfare (Consolidation) Act 2005	156	<p>This subhead provides for receipts from liable relatives of Deserted Wife's Benefit claimants. The lower receipts in 2016 arose mainly due to the refund of €96,000 to a number of liable relatives who had continued to make payments in error after the associated Deserted Wife's Benefit claim had ceased. One Parent Family Payment reform measures also impacted on the downward trend in these receipts.</p>
Receipts from European Social Fund for activation and participation of people with disabilities	953	<p>Expectation at time of estimate was that receipts were going to be higher. Actual outturn is a receipt of €2.677 million received in September 2016 in respect of the period 2012 to 2015. Amount due was €3.234 million, of which there was an advance of €0.375 million in 2008, balance of €0.18 million will be paid in 2017.</p>

Description	Less/ (more) than originally provided	Explanation
	€000	
Receipts from EURES European Job Mobility Fund	(120)	Actual receipts were €120,000, there was no provision for such receipts in 2016 REV estimate.
Receipts from Pension Authority – staff superannuation	207	<p>2016 outturn was €603,000, which was a slight increase on the 2015 outturn of €578,000, and a reduction on the 2014 outturn of €779,000. The 2015 reduction arose due to six staff on three year contracts finishing at end of 2014 and not being filled until late 2015. Expectation in 2015 quarter four was that 2016 contributions might return to 2014 levels in 2016 which didn't happen.</p> <p>Only two of the new recruits of late 2015/early 2016 became members of the Pensions Authority Superannuation scheme, while the other new recruits became members of the Single Scheme, meaning that receipts to the Department didn't increase more significantly in 2016.</p>
Homeless Unit operational costs – contributions from external agencies	(629)	Receipts from this source are unpredictable. In 2016 reimbursements from other departments and agencies were higher than provided for in the estimates.
Miscellaneous	(3,050)	<p>Miscellaneous receipts are difficult to predict with accuracy. The only real constants from year to year are receipts for cancelled cheques and small miscellaneous receipts totalling around €1.2 million.</p> <p>2016 REV estimate provided for an expectation of €1.46 million, which included cancelled cheques, small miscellaneous receipts and a small element of unforeseen receipts.</p> <p>2016 outturn was almost €4.5 million, just over €3 million ahead of the original estimate.</p> <p>2016 miscellaneous receipts included:</p> <ul style="list-style-type: none"> <li>(i) €1 million from cancelled cheques.</li> <li>(ii) €2.2 million from refund of employer element of PRSI to the Department as an employer.</li> <li>(iii) €0.76 million from European Social Fund in respect of PEIL (Youth Guarantee).</li> <li>(iv) €0.5 million small miscellaneous receipts.</li> </ul>

**4.2 Extra receipts payable to the Exchequer**

	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	6	4
Conscience money	25	10
Witness expenses	1	1
Pensions Authority fines	12	14
Transferred to Exchequer	<u>(25)</u>	<u>(23)</u>
Balance at 31 December	<u>19</u>	<u>6</u>

## 5 Employee Numbers and Pay

	2016	2015
<b>Number of Staff at Year End</b> (full time equivalents)		
Department	6,410	6,473
Agencies	124	123
	<b>6,534</b>	<b>6,596</b>

	2016	2015
<b>Remuneration of All Staff (Department and agencies)</b>	<b>€000</b>	<b>€000</b>
Pay	295,338	304,717
Higher, special or additional duties allowance	1,028	1,062
Other allowances	389	440
Overtime	3,129	3,360
Employer's PRSI	17,903	17,689
<b>Total pay</b>	<b>317,787</b>	<b>327,268</b>

### 5.1 Department

The following remuneration arrangements refer to pay element Subheads A.1 (i), A.2 (viii), A.2 (ix), A.24.

	2016	2015
	<b>€000</b>	<b>€000</b>
Pay	288,147	297,144
Higher, special or additional duties allowance	983	1,015
Other allowances	389	440
Overtime	3,129	3,360
Employer's PRSI	17,301	17,094
<b>Total pay</b>	<b>309,949</b>	<b>319,053</b>

### 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	603	15	19,585	68,593
Other allowances	57	16	11,804	12,258
Overtime	2,099	22	14,204	15,796
Extra remuneration in more than one category	2	1	12,127	10,912

### 5.2 Agency

The remuneration referred to below relates to the Citizens Information Board, the Pensions Authority and the Pensions Ombudsman.

	2016	2015
	€000	€000
Pay	7,191	7,573
Higher, special or additional duties allowance	45	47
Other allowances	—	—
Overtime	—	—
Employer's PRSI	602	595
<b>Total pay</b>	<b>7,838</b>	<b>8,215</b>

### 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	13	1	11,699	15,263
Other allowances	—	—	—	—
Overtime	—	—	—	—

### 5.3 Other Remuneration Arrangements

Redundancy payments of €213,170 were paid to fourteen staff under the Redundancy Payments Acts 1967 to 2007.

A retired Chief Medical Officer and a retired Medical Assessor were re-employed in 2014 in the public interest and by way of open competition respectively. They continued to be employed in 2016 and were paid salaries of €56,454 and €36,285 respectively. The Chief Medical Officer's employment ceased on 1 June 2016. Pension abatement was applied.

A member of the Citizens Information Board staff received €1,020 in respect of a director's allowance.

### 5.4 Payroll Overpayments

Overpayments at the year-end were €3.2 million (1,511 cases) (2015: €3 million, 1,361 cases). Of this, €1.2 million (385 cases) have recovery plans in place.

## 6 Miscellaneous

### 6.1 Recovery of Welfare Overpayments

The summary position on assistance overpayments at 31 December 2016 was as follows:

	2016		2015	
	€000	Outturn €000	€000	Outturn €000
Overpayments outstanding at 1 January		376,851		346,205
Adjustment <sup>1</sup>		881		8,499
		<u>377,732</u>		<u>354,704</u>
Net overpayments recorded				
Fraud	37,557		44,810	
Claimant error	35,258		33,712	
Departmental error	1,602		2,138	
Estate cases	19,934	94,351	17,342	98,002
		<u>472,083</u>		<u>452,706</u>
Less:				
Amounts recovered 2016 <sup>2</sup>	(67,958)		(64,682)	
Recoveries adjustment <sup>3</sup>	275	(67,683)	—	(64,682)
Prior year debts cancelled <sup>4</sup>		(9,257)		(9,566)
Amounts written off as irrecoverable		(1,840)		(1,607)
Overpayments outstanding at 31 December		<u>393,303</u>		<u>376,851</u>

<sup>1</sup> In 2016, the Department changed its accounting policy in respect of overpayment recoveries. With effect from 1 January 2016, scheme cash and deduction recoveries are brought to account upon matching to the relevant debt holder which is not necessarily the date of the receipt.

An overall adjustment of €880,644 was required to align the overpayment balance brought forward from the 2015 Vote 37 statutory account with the adjusted list of matched debtors on DRAS at 1 January 2016. This consisted of (a) €768,811 to facilitate the accounting policy change (b) €98,882 in respect of year-end timing differences and (c) €12,951 in respect of 2015 debt correction.

An overall adjustment of €232,699 in respect of SIF related differences has also been applied in the SIF statutory account overpayments note (Note 4) for 2016.

The comparative adjustment for 2015 of €8.5 million was required to align the opening balance being carried forward from 2014 with the actual list of debtors at 1 January 2015. Previously, overpayments had not been reconciled to individual debtor's listings.

<sup>2</sup> The amount recovered includes:

- €62.1 million posted to income in respect of previous year's debt (cash €37.7 million and deductions withheld €24.4 million).
- €5.9 million posted against expenditure in respect of the current year's debt (cash €3 million and deductions withheld €2.9 million).

<sup>3</sup> The adjustment is in respect of recorded prior year recoveries which were cancelled in 2016.

<sup>4</sup> The prior year debts cancelled represent overpayments raised in previous year which were cancelled in 2016.

## 6.2 Legal costs

	Number of cases	Department legal costs €000	Legal costs awarded €000	Compensation awarded €000	2016	2015
					Total	Total
					€000	€000
<b>Claims by employees of the Department</b>						
Personal injuries <sup>1</sup>	12	61	152	182	395	524
Breach of HR/employment policies <sup>2</sup>	4	3	—	8	11	47
<b>Claims by members of the public</b>						
Personal injuries <sup>3</sup>	4	7	35	—	42	220
Department schemes <sup>4</sup>	525	179	46	3,290	3,515	3,876
Other <sup>5</sup>	4	—	446	—	446	333
		250	679	3,480	4,409	5,000

<sup>1</sup> Payments in respect of individuals ranged from €295 to €107,128.

<sup>2</sup> Payments ranged from €1,382 to €6,583. The cases related to a breach of personal data, unfair dismissal, discrimination under dignity at work legislation and a breach of the Protection of Employees (Fixed-Term Work) Act 2003.

<sup>3</sup> Payments ranged from €1,141 to €22,429.

<sup>4</sup> Ex-gratia payments, loss of purchasing power payments and legal costs payments up to €95,391 were made in respect of Carer's Allowance, Disability Allowance, Supplementary Welfare Allowance basic payment, Supplementary Welfare Allowance rent supplement, Child Benefit, One-Parent Family payment, Respite Care Grant, Magdalen Laundries and other Institutions, and the Office of the Pensions Ombudsman.

<sup>5</sup> Payments ranged from €28 to €392,989. The cases related to the amendment of the birth register (two cases), provision of a PPSN and an insurability case.

### 6.3 EU Funds

#### **European Social Fund, Human Capital Investment Operational Programme**

An amount of €2.68 million was received from the EU in respect of the Disability Activation project. The project is a cross agency programme co-funded by the Department and the European Social Fund, Human Capital Investment Operational Programme 2007-2013.

#### **European Social Fund programme for Employability, Inclusion and Learning**

Funding of €761,201 was received from the EU for the European Social Fund (ESF) programme for Employability, Inclusion and Learning. The ESF is the European Union's financial instrument for investing in people. The mission of the ESF is to help prevent and fight unemployment, to make Europe's workforce and companies better equipped to face new challenges and to prevent people losing touch with the labour market.

#### **European Globalisation Fund**

A total of €202,668 in respect of the European Globalisation Fund (EGF) Andersen Ireland programme was received from the EU. The EGF provides one-off time limited individual support to people across Ireland in certain companies and sectors that were made redundant as a result of globalisation.

#### **European Employment Services**

An amount of €69,540 was received from the EaSI (Employment and Social Innovation) programme in respect of EURES (European Employment Services) Ireland/Northern Ireland partnership to facilitate the free movement of workers.

Funding of €50,878 was also received to facilitate the free movement of workers throughout the EU/EEA area. EURES is organised centrally by the European Commission and is administered in the member States by the Public Employment Service.

#### **EP-DeM Labs - Equity, Participation, Decision making Labs**

An amount of €3,186 was received from the EU in respect of a new EU co-funded project EP-DeM Labs - Equity, Participation, Decision making Labs (Youth in Transition in European cities). This project runs from January 2016 to December 2017. EP-DeM Labs seeks to engage and enable disadvantaged youth aged 16-24 in transition moments across 4 cities/regions in Europe to express their voices, co-develop and co-deliver projects and measures aimed at improving their education level and employability.

#### **Fund for European Aid to the Most Deprived**

The Fund for European Aid to the Most Deprived (FEAD) supports EU countries' actions to provide material assistance (including food and clothing) to the most deprived. The EU provides funding to member States and member States match this funding with a minimum of 15%. Expenditure is eligible to 31 December 2023. Under Article 44 of EU Regulation 223/2014 pre-financing of €2.5 million (11% of the Fund's overall contribution to the Irish operational programme) was paid to the Department in December 2014. As no FEAD payment application had been made to the Commission by December 2016 the amount of pre-financing is due to be returned to the Commission. However, the total EU contribution due to the FEAD operational programme in Ireland will not be affected by the reimbursement. In 2017, the Commission have sought reimbursement of the 2014 pre-financing.

**6.4 Possible Misappropriation**

There were two cases of possible misappropriation of public monies by employees with the current value yet to be confirmed. These possible misappropriations occurred during the period January 2015 to May 2016.

**6.5 Late Payment Interest**

	<b>2016</b>	<b>2015</b>
	€	€
Total of interest payments due	9,859	8,209
Recipients of €10,000 or more	—	—

**6.6 Contingent Liabilities**

The Department is involved in 63 legal cases which may generate liabilities, depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

**6.7 Accounting Adjustment**

In 2016, a bookkeeping entry amounting to €13,170 was made to Vote Miscellaneous Income with a corresponding entry in the Vote SIF account. Department of Public Expenditure and Reform sanction was received. The entry was necessary to align the SIF and Vote accounts in respect of a difference brought forward from 2015.

**Annex**  
**Department of Social Protection**  
**Summary of Programme Expenditure**

	2016	2015
	€m	€m
<b>Vote 37 gross expenditure</b>	11,215	11,586
<i>Less non scheme expenditure</i>		
Administration	(486)	(490)
SIF subvention	—	(119)
Grant to Citizens Information Board	(49)	(46)
Grant to Pensions Ombudsman	(1)	(1)
Miscellaneous services	(6)	(6)
<b>Vote 37 scheme expenditure</b>	<b>10,673</b>	<b>10,924</b>
<b>SIF gross expenditure</b>	<b>9,154</b>	<b>8,980</b>
<i>Less non scheme expenditure</i>		
Administration	(273)	(271)
National Training Levy	(390)	(364)
<b>SIF scheme expenditure</b>	<b>8,491</b>	<b>8,345</b>
<b>Total Department scheme expenditure</b>	<b>19,164</b>	<b>19,269</b>

## Scheme Expenditure Breakdown

Payments by scheme and category	2016	2015
	€m	€m
<b>Pensions</b>		
State Pensions	5,644	5,450
Widows'/Widowers'/ Surviving Civil Partners' Pension	1,446	1,430
Bereavement Grant	—	—
<b>Total</b>	<b>7,090</b>	<b>6,880</b>
<b>Working Age Income Supports</b>		
Jobseeker's Allowance	2,452	2,742
One Parent Family Payment	501	670
Jobseeker's Benefit	356	387
Redundancy and Insolvency Benefit	38	43
Maternity Benefit	255	260
Paternity Benefit	2	—
Basic Supplementary Welfare Allowance	89	92
Farm Assist	79	88
Deserted Wife's Benefit	74	77
Other Working Age - Income Supports	44	43
Pre-Retirement Allowance	9	16
Treatment Benefits	31	30
Widows' /Widowers'/ Surviving Civil Partners' Pension (Non Contributory)	14	16
Deserted Wife's Allowance	2	2
Adoptive Benefit	1	1
Health and Safety Benefit	1	1
<b>Total</b>	<b>3,948</b>	<b>4,468</b>
<b>Supplementary Payments</b>		
Rent Supplement	275	311
Household Benefits Package	230	221
Fuel Allowance	235	216
Free Travel	77	75
Mortgage Interest Supplement	7	12
<b>Total</b>	<b>824</b>	<b>835</b>
<b>Working Age Employment Supports</b>		
Employment Programmes	356	365
Back to Education Allowance	115	144
Back to Work Allowance	124	129
Back to Work Family Dividend	29	14
TÚS Community Work Placement Scheme	119	125
National Internship Scheme - JobBridge	38	63
JobsPlus	24	23
Wage Subsidy Scheme	19	16
Other Working Age - Employment Supports	45	49
Community Services Programme	44	43
Rural Social Scheme	42	44
Gateway	21	30
Jobs Initiative	20	22
Partial Capacity Benefit	13	11
<b>Total</b>	<b>1,009</b>	<b>1,078</b>

	<b>2016</b>	<b>2015</b>
	<b>€m</b>	<b>€m</b>
<b>Illness, Disability and Carers</b>		
Disability Allowance	1,358	1,282
Illness Benefit	597	620
Invalidity Pension	645	649
Carer's Payment	686	641
Respite Care Grant	172	125
Domiciliary Care Allowance	133	121
Disablement Benefit	75	77
Blind Pension	14	14
Injury Benefit	19	17
<b>Total</b>	<b>3,699</b>	<b>3,546</b>
<b>Children</b>		
Child Benefit	2,078	1,990
Family Income Supplement	415	368
Back to School Clothing and Footwear Allowance	40	41
School Meals	37	39
Child Related Payments	24	24
<b>Total</b>	<b>2,594</b>	<b>2,462</b>
<b>Net Expenditure on all Schemes</b>	<b>19,164</b>	<b>19,269</b>

