

## **Appropriation Account 2016**

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### **Vote 20 Garda Síochána**

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## Introduction

As Accounting Officer for Vote 20, I am required to prepare the appropriation account for the Vote, and to submit the Account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2016 for the salaries and expenses of the Garda Síochána, including pensions, etc. for the payment of certain witnesses' expenses, and for payment of certain 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 €2.18 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

## Statement of Accounting Policies and Principles

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

### ***Depreciation***

Capital assets are depreciated on a straight line basis over their estimated useful life starting in the month recorded in the fixed asset register.

The standard depreciation rates are applied in respect of office and IT equipment, and furniture and fittings. The following depreciation rates apply to other capital assets

- aircraft: 5% per annum
- boats: 10% per annum
- vehicles: 25% per annum

### ***Land and buildings***

The Minister for Justice and Equality owns eight Garda stations which are included in the appropriation account of the Office of Public Works (Vote 13).

An Garda Síochána holds lands for sports fields at Templemore for the use of students. This land is the subject of discussions with the Office of Public Works to regularise the management and title in line with public service norms. All other property utilised by An Garda Síochána is owned by the Office of Public Works, and is accounted for in the appropriation account of that Office.

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

### ***Financial control environment***

I confirm that a control environment containing the following elements is in place:

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action
- there is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.

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

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

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within An Garda Síochána
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines.

### ***Risk management***

An Garda Síochána notes the findings of the Garda Inspectorate report entitled *Changing Policing in Ireland – November 2016*, where a number of improvement opportunities were identified in the areas of governance and risk management. Improvement opportunities identified in risk management included the oversight and operation of risk management at an operational level in addition to the operation of the Risk Governance Board.

In order to address the issues identified, a number of improvement initiatives are being prioritised under the Garda modernisation and renewal plan 2016 – 2021:

- A new organisational structure has been developed with a single senior management lead for policy, auditing and oversight roles which will strengthen internal control and governance.
- A policy management framework is being developed that will provide a transparent and co-ordinated approach to the development, implementation and monitoring of policy.

The revised approach to risk management has been implemented in quarter one 2017. This approach is centred on a system where risks within an area of responsibility are identified, assessed, prioritised, managed and reported in line with policy. Risk champions and spine superintendents will provide support to ensure that the revised approach is successfully deployed in each region, division and district. All risk managers will be supported by the Garda Risk Management Unit. This process is overseen by the Risk and Policy Governance Board which was established to provide strategic direction with respect to risk management and the management of policy in An Garda Síochána. The Board, which includes key senior managers, will ensure that the organisation's corporate risks are managed and mitigated effectively.

To support this revised approach, the Garda Risk Management Unit has provided training to the senior management and will continue to provide training to senior management and on promotion modules. In addition, a new dedicated risk management webpage has been developed on the Garda Portal and this provides a range of support materials such as a risk matrix, risk, template guidelines for rating 'likelihood' and 'consequence' risk categories and brief definitions and various informative documents.

### ***Shared Services***

I have fulfilled my responsibilities in relation to the requirements of the service level agreements between An Garda Síochána and the Financial Shared Services Centre of the Department of Justice and Equality and the National Shared Services Office for the provision of financial and payroll shared services.

I rely on letters of assurance from the Accounting Officers of Vote 24 Justice and Equality and of Vote 18 Shared Services that the appropriate controls are exercised in the provision of shared services to An Garda Síochána.

### ***Procurement***

An Garda Síochána 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.

An Garda Síochána complied with the guidelines with the exception of 94 contracts to the value of €27,803,949 which were listed in my annual return in respect of Circular 40/2002.

- 25 contracts to a value of €3,959,052 related to sole suppliers and security-related services.
- 27 contracts to a value of €20,258,511 were extended beyond the original contract date without competitive procurement. Tenders are in progress in 2017 for these services. The Office of Government Procurement and An Garda Síochána are advancing a supplementary request for tender for interpretation services.
- 21 contracts to a value of €2,155,361 in respect of medical services were paid in accordance with the Department of Public Expenditure and Reform sanctioned rates for professional services. A competitive tender for medical services has been undertaken with the support of the HSE which is at tender evaluation finalisation stage.
- In the other 21 cases with a value of €1,431,025, local contract arrangements were in place contrary to national procurement guidelines. An Garda Síochána has already put contracted arrangements in place for a number of these supplies and is taking steps to put tenders in place in 2017 for the remainder.

### ***Internal Audit and Audit Committee***

I confirm that An Garda Síochána has an internal audit function with appropriately trained personnel. Its work is informed by analysis of the financial risks to which An Garda Síochána 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 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***

#### *Property and Evidence Management*

The management, recording and storage of property taken into the possession of An Garda Síochána, both evidential and non-evidential, was a frequently occurring financial and reputational risk identified by Internal Audit in 2016. As part of the Strategic Transformation Programme, two new divisional property and exhibit management stores were completed in 2016 and an additional three will be completed in 2017 with five more planned for 2018 which will address the storage capacity deficit. In addition, a new information system for the tracking of exhibits went live in March 2016 and this will be integrated into the PULSE system in 2017 which will facilitate an efficient holistic management of property and exhibits within the possession of An Garda Síochána.

#### *Garda Payroll and Pension Overpayments*

The overpayment of Garda and civilian salaries arise largely from the late notification of sick/maternity leave, retirements, resignations, dismissals, and family friendly applications to the Payroll Shared Services Centre. To address the overpayment of salaries and Garda pensions, the Garda Human Resource Directorate established a dedicated unit in 2014 to put overpayment recovery plans in place. Since 2014 and up until 2016, there were various resourcing issues within the Overpayments Unit. These were resolved in February 2017. To date 69% of overpaid Garda pensions and for 65% of overpaid Garda and civilian salaries recovery plans have been agreed.

The overpayment of Garda pensions is mainly due to the payment of pensions in advance rather than in arrears in line with public sector norms. An Garda Síochána requested the Department of Justice and Equality to amend the Pensions Order 1925 to facilitate pension payment in arrears following consultation with the Garda Associations.

### ***Audit of the Garda College***

An internal audit report (February 2017) concluded that significant financial irregularities had existed in the financial management of the Garda College for many years. The report made nineteen recommendations to ensure compliance with *Public Financial Procedures*. A Steering Group was established to commence the implementation of the recommendations. At 31 August 2017, three of the nineteen recommendations have been implemented and the balance is expected by the end of the year. Internal Audit has undertaken another audit in relation to cash and general management of the Garda College restaurant and shop, and other audit work is planned for 2017.

These issues were subject to a report of the Dáil Committee on Public Accounts which found that oversight structures were not informed of the issues of concern in a timely way. Arising from the findings of these audits some issues have been informed to the Garda Síochána Ombudsman Commission (GSOC) and the European Anti-Fraud Office (OLAF) for future investigation and these investigations are on-going.

Following a review of systems, managers were asked to review all records to ensure themselves that all relevant reports have been forwarded to the Garda Internal Audit Section (GIAS) and to ensure that all risks are recorded on the risk registers. A revised risk management policy was implemented in March 2017. The GIAS has access to the risk register at all stages and the Audit Committee will be briefed on the risk reports. The Policing Authority will be updated on the risk reports and the Comptroller and Auditor General will be informed.

***Fixed charge notice and breath test issues***

In March 2017 An Garda Síochána detailed concerns in respect of the administration of fixed charge notices and road side breath tests.

In relation to fixed charge notices an examination of 830,687 summonses, issued between 1 January 2006 and 27 May 2016, identified that a total of 146,865 cases of persons who had committed offences had been brought before the courts incorrectly. Of these summonses, 14,700 cases resulted in a penalty being imposed by the courts. An Garda Síochána has undertaken to appeal those outcomes to the Circuit Court. Any fines imposed will be reimbursed and all records involved will be corrected.

In relation to breath tests, in March 2017 An Garda Síochána identified that there was a significant discrepancy between the data recorded on the Garda computer system (PULSE) for roadside breath tests versus the number of breath tests recorded on the apparatus used by the Medical Bureau for Road Safety. An examination identified that from June 2009 to April 2017, 3,498,400 breath tests were recorded on PULSE compared to 2,040,179 recorded on the Dräger test devices, a discrepancy of 1,458,221 breath tests. A combination of deficiencies enabled this to happen - in technology and data controls, resources, supervision, policy, procedures and training. Arising from the findings of the examination An Garda Síochána's focus will be on more strategic roads policing operations focusing on outcomes rather than outputs and to implement investment in the appropriate supporting mechanisms to enable Garda members to accurately record data.

**Dónall Ó Cualáin**  
Accounting Officer  
An Garda Síochána

26 September 2017

## **Comptroller and Auditor General**

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

#### **Vote 20 Garda Síochána**

I have audited the appropriation account for Vote 20 Garda Síochána 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 An Garda Síochána 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.

The audit of Vote 20 included a review of operational controls over the monies issued for the witness security programme and, on a sample basis, of related transactions. For security reasons, certain information about those transactions was not reviewed.

***Opinion on the appropriation account***

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 20 Garda Síochána 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 An Garda Síochána. The appropriation account is in agreement with the accounting records.

***Non compliance with procurement rules***

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

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

Chapter 12 of my report on the accounts of the public services for 2016 refers to certain other matters relating to Vote 20 An Garda Síochána.

**Seamus McCarthy**  
Comptroller and Auditor General

27 September 2017

## Vote 20 Garda Síochána Appropriation Account 2016

	2016		2015
	Estimate provision	Outturn	Outturn
	€000	€000	€000
<b>Programme expenditure</b>			
A Working with communities to protect and serve			
<i>Original</i>	1,554,524		
<i>Deferred surrender</i>	6,644		
<i>Supplementary</i>	20,500		
		1,581,668	1,570,562
<b>Gross expenditure</b>	<b>1,581,668</b>	<b>1,570,562</b>	<b>1,503,468</b>
<i>Deduct</i>			
B Appropriations-in-aid			
<i>Original</i>	112,976		
<i>Supplementary</i>	10,500		
		123,476	123,894
<b>Net expenditure</b>			<b>128,485</b>
<i>Original</i>	1,441,548		
<i>Deferred surrender</i>	6,644		
<i>Supplementary</i>	10,000		
		1,458,192	1,446,668
			<b>1,374,983</b>

### Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under Section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year.

	2016	2015
	€	€
Surplus	11,524,000	8,490,200
Deferred surrender	(9,344,000)	(6,644,000)
Surplus to be surrendered	2,180,000	1,846,200

## Analysis of administration expenditure

		Estimate provision		2016	2015
		€000	€000	Outturn	Outturn
		€000	€000	€000	€000
i	Salaries, wages and allowances	<i>Original</i>	971,751		
		<i>Supplementary</i>	10,300	979,500	963,316
ii	Travel and subsistence	<i>Original</i>	15,983		
		<i>Supplementary</i>	2,117	18,567	15,345
iii	Training and development and incidental expenses	<i>Original</i>	12,706		
		<i>Supplementary</i>	6,344	19,830	15,576
iv	Postal and telecommunications services	<i>Original</i>	39,647		
		<i>Supplementary</i>	2,903	40,630	43,687
v	Office equipment and external IT services	<i>Original</i>	37,212		
		<i>Supplementary</i>	16,599	51,525	38,598
vi	Maintenance of Garda premises	<i>Original</i>	721		
		<i>Supplementary</i>	2,979	3,818	3,347
vii	Consultancy services and value for money and policy reviews			261	231
viii	Station services	<i>Original</i>	18,700		
		<i>Supplementary</i>	1,600	20,032	19,530
ix	Garda Reserve	<i>Original</i>	895		
		<i>Supplementary</i>	(495)	341	439
			1,140,223	1,134,570	1,100,069

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2016

	2016	2015
	€000	€000
Programme cost	435,992	403,399
Pay	979,500	963,316
Non pay	155,070	136,753
<b>Gross expenditure</b>	<b>1,570,562</b>	<b>1,503,468</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>123,894</b>	<b>128,485</b>
<b>Net expenditure</b>	<b>1,446,668</b>	<b>1,374,983</b>
<b>Changes in capital assets</b>		
Purchases cash	(26,759)	
Depreciation	17,332	
Disposals cash	35	
Loss on disposals	128	
	(9,264)	(6,877)
<b>Assets under development</b>		
Cash payments	(9,032)	(5,073)
<b>Changes in net current assets</b>		
Increase in closing accruals	4,950	
Increase in stock	(1,296)	
	3,654	(9,132)
<b>Direct expenditure</b>	<b>1,432,026</b>	<b>1,353,901</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	21,432	20,617
<b>Net programme cost</b>	<b>1,453,458</b>	<b>1,374,518</b>

**1.1 Net Allied Services Expenditure**

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 20 borne elsewhere

		<b>2016</b>	<b>2015</b>
		<b>€000</b>	<b>€000</b>
Vote 13 Office of Public Works	e	17,034	17,856
Vote 18 National Shared Services Office	e	2,688	993
Vote 24 Justice and Equality - Financial Shared Services Centre	e	2,605	2,884
<i>Less</i>			
Services provided by An Garda Síochána to other Votes <sup>a</sup>	e	<u>(895)</u>	<u>(1,116)</u>
		<u>21,432</u>	<u>20,617</u>

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

<sup>a</sup> Garda transport was made available as escorts to Prison Service personnel to convey prisoners to court.

Assistance was rendered to An Garda Síochána by the Defence Forces in the disposal of explosive materials, without payment.

Garda personnel availed of Air Corps aircraft during 2016 without payment.

Air Corps support was also provided without charge in relation to the operation of the Garda fixed-wing aircraft and pilot costs of Garda helicopters.

## 2 Balance Sheet as at 31 December 2016

	Note	2016 €000	2015 €000
<b>Capital assets</b>	2.2	56,816	51,063
<b>Capital assets under development</b>	2.3	16,329	7,297
		<b>73,145</b>	<b>58,360</b>
<b>Current assets</b>			
Bank and cash	2.4	49,617	46,571
Stocks	2.5	7,293	5,997
Prepayments	2.6	11,751	11,731
Accrued income		2,147	3,540
Other debit balances	2.7	5,690	3,705
<b>Total current assets</b>		<b>76,498</b>	<b>71,544</b>
<b>Less current liabilities</b>			
Accrued expenses	2.8	9,584	9,518
Other credit balances	2.9	45,783	43,536
Net liability to the Exchequer	2.10	9,524	6,740
<b>Total current liabilities</b>		<b>64,891</b>	<b>59,794</b>
<b>Net current assets</b>		<b>11,607</b>	<b>11,750</b>
<b>Net assets</b>		<b>84,752</b>	<b>70,110</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.1	<b>84,752</b>	<b>70,110</b>

2.1 State Funding Account	Note	2016 €000	2015 €000
Balance at 1 January		70,110	49,028
Estimate provision	Account	1,458,192	
Deferred surrender		(9,344)	
Surplus to be surrendered	Account	(2,180)	
Net vote		1,446,668	1,374,983
Expenditure (cash) borne elsewhere	1	21,432	20,617
Net programme cost	1	(1,453,458)	(1,374,518)
<b>Balance at 31 December</b>		<b>84,752</b>	<b>70,110</b>

**2.2 Capital Assets**

	<b>Aircraft</b>	<b>Motor boats</b>	<b>Vehicles and equipment</b>	<b>Office and IT equipment</b>	<b>Furniture and fittings</b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Gross assets</b>						
Cost or valuation at 1 January 2016	18,637	1,060	68,732	168,190	5,959	262,578
Additions <sup>a</sup>	—	—	12,617	10,453	178	23,248
Disposals	—	—	(7,932)	(951)	—	(8,883)
Cost or valuation at 31 December 2016	18,637	1,060	73,417	177,692	6,137	276,943
<b>Accumulated depreciation</b>						
Opening balance at 1 January 2016	11,734	947	45,065	149,795	3,974	211,515
Depreciation for the year	905	68	10,130	5,797	432	17,332
Depreciation on disposals	—	—	(7,774)	(946)	—	(8,720)
Cumulative depreciation at 31 December 2016	12,639	1,015	47,421	154,646	4,406	220,127
<b>Net assets at 31 December 2016</b>	<b>5,998</b>	<b>45</b>	<b>25,996</b>	<b>23,046</b>	<b>1,731</b>	<b>56,816</b>
<b>Net assets at 31 December 2015</b>	<b>6,903</b>	<b>113</b>	<b>23,667</b>	<b>18,395</b>	<b>1,985</b>	<b>51,063</b>

<sup>a</sup> Included in additions is an asset related to a portacabin transferred to An Garda Síochána from the State Pathology Laboratory. The net book value of the asset €60,000.

**2.3 Capital Assets under Development**

at 31 December 2016	<b>Schengen project<sup>a</sup></b>	<b>MIMS project<sup>b</sup></b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>
Amounts brought forward at 1 January 2016	2,676	4,621	7,297
Cash payments for the year	4,000	5,032	9,032
Balance at 31 December 2016	6,676	9,653	16,329

<sup>a</sup> The Schengen Information System was developed as part of the Schengen Convention which allows for the removal of internal borders and provides increased co-operation between member state police forces. The project recommenced in late 2016 following the provision of €4 million in funding by the Department of Public Expenditure and Reform. The €4 million was spent on ICT consultancy services in the year. The project has an estimated cost of €21.7 million and the estimated completion date is 2019.

<sup>b</sup> The Major Investigation Management System supports specialist units within An Garda Síochána in the capture, analysis and dissemination of intelligence. The MIMS project has an estimated five year cost of €24.8 million and a preferred supplier has been sourced after a tender competition. Phase 2 was deployed in 2015 and the development of phases 3a, 3b and 5 commenced in 2015 and continued in 2016. The estimated completion date is 2018.

<b>2.4 Bank and Cash</b>	<b>2016</b>	<b>2015</b>
at 31 December	<b>€000</b>	<b>€000</b>
PMG balances and cash	29,442	26,810
Commercial bank accounts	20,175	19,761
	<u>49,617</u>	<u>46,571</u>

The commercial bank account balance reflects €15,576,065 at end 2016 (2015: €15,110,000) in a commercial bank account operated by the Department of Public Expenditure and Reform - Payroll Shared Services. The balance of €4,598,811 is held by An Garda Síochána in 114 imprest accounts (2015: €4,651,000).

<b>2.5 Stocks</b>	<b>2016</b>	<b>2015</b>
at 31 December	<b>€000</b>	<b>€000</b>
Stationery	454	419
Telecommunications stock	969	1,038
Clothing	2,801	2,299
Technical Bureau	128	99
United Nations stock	143	87
Armoury	2,141	1,493
Miscellaneous	657	562
	<u>7,293</u>	<u>5,997</u>

### 2.6 Prepayments

Prepayments consist of national digital radio €6.9 million and ICT skilled resources of €2.9 million and the balance across other subheads.

<b>2.7 Other Debit Balances</b>	<b>2016</b>	<b>2015</b>
at 31 December	<b>€000</b>	<b>€000</b>
Advances to OPW	4,158	1,480
Imprests	698	789
Payroll suspense account (Paypath)	—	753
Cycle to Work scheme	420	501
Other debit suspense items	414	182
	<u>5,690</u>	<u>3,705</u>

### 2.8 Accrued Expenses

There were accrued expenses of €9.58 million at the year end of which €0.98 million related to capital purchases, €0.81 million being the purchase of Garda vehicles. The accrued expenses also included expenditure of €1.2 million for fuel and maintenance of the Garda fleet, €1.2 million for the outsourced GoSafe contract, €1.4 million for travel and subsistence, €0.9 million for the national digital radio system, €1 million for station services with the balance spread across a number of other subheads.

<b>2.9 Other Credit Balances</b>	<b>2016</b>	<b>2015</b>
at 31 December	€000	€000
Amounts due to the State		
Income Tax	22,268	21,651
Pay Related Social Insurance	9,309	8,608
Professional Services Withholding Tax	2,223	1,311
Value Added Tax	732	639
Construction Tax	9	—
Road Traffic Act fines	778	1,015
Tax on pension contribution refunds	1	9
Civil Service Pension Scheme	67	148
Garda account balances	4,599	4,651
	<u>39,986</u>	<u>38,032</u>
Payroll deductions held in suspense	4,882	4,961
Garda Reward Fund	392	359
Other credit suspense items	523	184
	<u>45,783</u>	<u>43,536</u>

<b>2.10 Net liability to the Exchequer</b>	<b>2016</b>	<b>2015</b>
at 31 December	€000	€000
Surplus to be surrendered	2,180	1,846
Deferred surrender	9,344	6,644
Exchequer grant undrawn	(2,000)	(1,750)
Net liability to the Exchequer	<u>9,524</u>	<u>6,740</u>

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

Bank and cash	49,617	46,571
Debit balances: suspense	5,690	3,705
	<u>55,307</u>	<u>50,276</u>

**Creditors**

Due to State	(39,986)	(38,032)
Credit balances: suspense	(5,797)	(5,504)
	<u>(45,783)</u>	<u>(43,536)</u>

	<u>9,524</u>	<u>6,740</u>
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<b>2.11 Commitments</b>	<b>2016</b>	<b>2015</b>
at 31 December	<b>€000</b>	<b>€000</b>

**a) Global Commitments**

Procurement of goods and services	93,434	17,005
Capital projects	83,240	83,459
Total of legally enforceable commitments	<u>176,674</u>	<u>100,464</u>

## Explanation

The commitments, in relation to the procurement of goods and services at the end of 2016 amounted to €93.4 million. The Go Safe commitment was €92.3 million which consisted of an extension to the existing contract until April 2017 and a new six year contract signed in August 2016 and due to start in May 2017.

**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
Regional/Divisional HQ	€000	€000	€000	€000	€000
• Galway	639	6,699	23,616	30,954	28,346
• Kevin Street	6,357	10,748	16,453	33,558	31,191
• Wexford	2,831	10,386	13,000	26,217	25,311
MIMS phases 3a, 3b & 5 <sup>a</sup>	4,621	5,032	15,147	24,800	24,800
Schengen	2,676	4,000	15,024	21,700	23,900
	<u>17,124</u>	<u>36,865</u>	<u>83,240</u>	<u>137,229</u>	<u>133,548</u>

<sup>a</sup>The comparative figure in 2015 was incorrect and has been restated at €24.8 million.

**Significant variations**

An explanation is provided below where multi-annual commitments changed by more than €500,000 from 2015 to 2016.

Description	Amount of increase/ (decrease)	Explanation
	€000	
Galway	2,608	Amendments made to the original design required additional structural works. In addition, there were other design changes to meet Garda requirements which increased total expected costs.

Description	Amount of increase/ (decrease)	Explanation
	<b>€000</b>	
Kevin Street	2,367	Due to poor ground conditions, additional water pumping and concrete basement works were required which gave rise to additional costs and delays.
Wexford	906	The expected costs increased as a result of the inclusion of the OPW project design team costs.
Schengen	(2,200)	At the end of 2015, the estimated lifetime costs of the project were €23.9 million. Following the finalisation of the contractual negotiations, this figure was reduced to €21.7 million.

#### 2.12 Matured Liabilities

There were €397 matured liabilities un-discharged at year end 2016.

### 3 Programme Expenditure by Subhead

		Estimate provision		2016	2015
				Outturn	Outturn
		€000	€000	€000	€000
<b>A</b>	<b>Working with communities to protect and serve</b>				
A.1	Administration – pay				
	<i>Original</i>	971,751			
	<i>Supplementary</i>	<u>10,300</u>	982,051	979,500	963,316
A.2	Administration - non pay				
	<i>Original</i>	126,125			
	<i>Supplementary</i>	<u>32,047</u>	158,172	155,070	136,753
A.3	Clothing and accessories				
	<i>Original</i>	2,764			
	<i>Supplementary</i>	<u>1,736</u>	4,500	4,704	4,356
A.4	St. Paul's Garda Medical Aid Society		124	124	124
A.5	Transport				
	<i>Original</i>	28,516			
	<i>Supplementary</i>	<u>334</u>	28,850	29,116	28,017
A.6	Communications and other equipment				
	<i>Original</i>	29,027			
	<i>Supplementary</i>	<u>2,076</u>	31,103	31,745	30,440
A.7	Aircraft				
	<i>Original</i>	1,050			
	<i>Supplementary</i>	<u>550</u>	1,600	1,607	2,869
A.8	Superannuation, etc.				
	<i>Original</i>	325,542			
	<i>Supplementary</i>	<u>(5,500)</u>	320,042	319,272	310,962
A.9	Witnesses' expenses		1,805	1,675	1,652
A.10	Compensation				
	<i>Original</i>	16,622			
	<i>Supplementary</i>	<u>(1,122)</u>	15,500	17,332	13,954
A.11	Witness security programme				
	<i>Original</i>	1,198			
	<i>Supplementary</i>	<u>122</u>	1,320	1,320	1,198
A.12	Capital building programme				
	<i>Original</i>	50,000			
	<i>Deferred surrender</i>	6,644			
	<i>Supplementary</i>	<u>(20,043)</u>	36,601	29,097	9,827
			<u>1,581,668</u>	<u>1,570,562</u>	<u>1,503,468</u>

**Significant variations**

Overall, the gross expenditure in relation to Programme A was €11.1 million higher than provided. The significant variations were as follows:

Description	Less/ (more) than provided	Explanation
	€000	
Administration - pay	(7,749)	There was an excess variance of €7.75 million on the original budget of €971.8 million. This was due to the additional costs associated with a number of one-off events that took place in 2016 such as the State Visits by US Vice President Biden (€3.15 million) and the Prince of Wales (€0.5 million), as well as the 1916 Centenary celebrations (€2.8 million) that took place over the Easter period. Additional funds were also required for the continuation of ongoing policing operations on organised crime and Operation Thor. The original budget was increased by €10.3 million in the supplementary estimate. There was an underspend of €2.55 million on the supplementary budget which mainly related to the provision of €2 million for the annual surrender balance as agreed with the Department of Justice and Equality.
Administration - non pay	(28,945)	There was an excess variance of €28.95 million on the original budget of €126 million. This is due to additional funding requirements over a number of non pay subheads. In particular, due to a significant underspend on the capital building programme, an amount of €16 million was reallocated to the IT capital subhead to bring forward investment in critical ICT systems such as further phases of the major investigations systems (MIMS). Additional expenditure associated with the intake of Garda recruits was also incurred on the training budget. Furthermore, the state visits by US Vice President Biden and the Prince of Wales, as well as the one-off 1916 Centenary celebrations incurred additional expenditure under travel and subsistence and incidental expenses. To this end, the allocation was increased by €32 million in the supplementary estimate. There was an underspend of €3.1 million on the supplementary budget as a result of delays with regard to some planned ICT expenditure and savings generated under other demand led subheads.

Description	Less/ (more) than provided	Explanation
	€000	
Clothing and accessories	(1,940)	There was an excess variance of €1.94 million on the original budget of €2.8 million. The additional costs arose from the uniform requirements of new Garda recruits and the equipping of the newly established Armed Response Unit in the Dublin Metropolitan Region. The original budget allocation was increased by €1.7 million in the supplementary estimate. There was an overspend of €0.2 million on the supplementary budget due to a greater demand under the areas mentioned above which was offset by savings generated under other subheads.
Transport	(600)	There was a variance of €0.6 million on the original budget of €28.5 million. This was due to additional capital funding within the Vote to bring forward the procurement of new Garda vehicles from 2017. The total investment in the transport fleet in 2016 was €10 million. The original budget was increased by €0.33 million in the supplementary estimate as a result of the additional capital cost in this subhead of €4 million which was offset in part by expected savings of approximately €3.67 million in relation to the maintenance and running expenses of the Garda fleet. This current expenditure saving was largely due to reduced fuel costs and less maintenance costs due to the proportion of newer vehicles in the Garda fleet. While there was a subsequent overspend of €0.27 million on the supplementary budget this was mainly due to timing issues in relation to the payment of fuel and maintenance invoices at year-end.
Communications and other equipment	(2,718)	There was a variance of €2.7 million on the original budget of €29 million. The additional provision relates to increased communications commitments and extra firearms and equipment requirements in respect of the newly established Armed Response Unit in the Dublin Metropolitan Region and the Emergency Response Unit to tackle organised crime. The original budget was increased by €2.07 million in the supplementary estimate. There was an underspend of €0.64 million on the revised budget due to the delay in receipt of certain invoices to meet payment deadlines at year-end.
Aircraft	(557)	There was a variance of €0.56 million on the original budget of €1.05 million. The additional requirement was mainly due to the increased maintenance (€0.3 million) and replacement of equipment on the Garda aircraft. Additional flying hours were also required in respect of the major policing operations for the visit of Vice President Biden, the Prince of Wales and the 1916 celebrations (€0.2 million). To this end the original budget was increased by €0.55 million in the supplementary estimate.

Description	Less/ (more) than provided	Explanation
	€000	
Superannuation	6,270	There was a positive variance of €6.27 million on the original budget of €325.5 million due to lower retirement numbers than were initially anticipated. As a consequence, the original budget was reduced by €5.5 million in the supplementary estimate. There was a further saving of €0.77 million on the supplementary budget due to lower retirement numbers in December than were anticipated and the timing of some retirements at the year end which resulted in the associated gratuity payments being made in 2017.
Witnesses' expenses	130	The savings arose due to a reduction in operational demand.
Compensation	(710)	There was an excess variance of €0.71 million on the original budget of €16.6 million. However, the original budget was actually reduced by €1.1 million in the supplementary estimate, as it was expected that savings would arise as there was a reduction of 28 High Court cases processed through the Garda Compensation Act 2016 than had been previously estimated and a reduction in the legal costs associated with firearm licence appeals. The reduction against estimate on the firearm licence appeals was €0.4 million. However a year-end excess of €1.8 million was incurred following a large civil action payment of €1.75 million in December 2016 in relation to a miscarriage of justice case which was originally expected to be paid in 2017.
Capital building programme	20,903	There was a variance of €20.9 million on the original budget of €50 million under the capital building programme. This arose due to delays in completing certain projects including the new Divisional Headquarters in Kevin Street, Dublin. The original budget was reduced by €20.04 million in the supplementary estimate which allowed for the reallocation of this capital funding within the Vote to the ICT (€16 million) and Transport (€4 million) subheads. The underspend of €7.5 million against the supplementary budget formed part of the €9.34 million carried forward to 2017 under the agreed capital carry-over provisions.

## 4 Receipts

4.1 Appropriations-in-aid		2016		2015
		Estimated	Realised	Realised
	€000	€000	€000	€000
1. Contributions to the Garda Síochána spouses' and children's pension schemes				
	<i>Original</i>	12,278		
	<i>Supplementary</i>	(228)	12,050	11,962
2. Contributions to the Garda Síochána pensions scheme			21,528	21,669
3. Miscellaneous receipts (note 4.2)				
	<i>Original</i>	10,000		
	<i>Supplementary</i>	1,900	11,900	12,149
4. Receipts from banks in respect of cash escort services				
	<i>Original</i>	—		
	<i>Supplementary</i>	1,273	1,273	1,273
5. Firearm fees				
	<i>Original</i>	10,000		
	<i>Supplementary</i>	750	10,750	10,578
6. Safety cameras - certain receipts from fixed charges				
	<i>Original</i>	13,770		
	<i>Supplementary</i>	330	14,100	13,991
7. Receipts from pension-related deduction on public service remuneration				
	<i>Original</i>	45,400		
	<i>Supplementary</i>	6,475	51,875	52,272
			<b>123,476</b>	<b>123,894</b>
				<b>128,485</b>

### Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%.

Description	Less/(more) than provided	Explanation
	€000	
Miscellaneous receipts (see note 4.2)	(2,149)	There was a variance of €2.15 million on the original budget of €10 million as a result of greater than anticipated receipts for non public duty services due to the timeliness of moneys received. In addition greater than anticipated receipts were generated under forfeitures to the State. The original budget was increased by €1.9 million in the supplementary estimate to address these additional receipts. However there were additional receipts of €0.25 million on the supplementary allocation due to the timeliness of moneys received which can be difficult to predict.

Description	Less/(more) than provided	Explanation
	<b>€000</b>	
Receipts from banks in respect of cash escort services	(1,273)	No original estimate was included for receipts from banks in respect of cash escort services as these services ended in 2015. However, an amount of €1.27 million was recovered in 2016 that related to the prior year and a supplementary estimate was raised accordingly.
Firearm fees	(578)	There was a variance of €0.58 million on the original budget of €10 million due to a greater than estimated number of applications for firearm licences under the three year licensing cycle. The original budget was increased by €0.75 million in the supplementary estimate, however there was an underspend of €0.17 million on the supplementary budget due to the timing of receipts.
Receipts from pension-related deduction on public service remuneration	(6,872)	There was a variance of €6.9 million on the original budget of €45.4 million as the number of retirements was lower than originally estimated, resulting in higher numbers of serving Gardai. In addition, extra funding was provided in the overtime subhead for targeted operations on organised crime and for Operation Thor which resulted in additional pension related deductions receipts. The original budget was increased by €6.5 million in the supplementary estimate.

**4.2 Analysis of miscellaneous receipts**

	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>
Payment for non-public duty services rendered by Gardai	5,218	4,644
Recovery in respect of damage to official vehicles and other Garda property	202	219
Proceeds of sales of used vehicles, old stores, forfeited and unclaimed property	931	1,638
Fees for accident and malicious damage reports	740	765
Contribution for living quarters	54	54
Recoupment of witnesses' expenses	7	7
Percentage charge to insurance companies for collection of insurance premia	86	87
Taxi licence fees	208	192
Road Traffic Act - Section 41 charges	2,337	2,067
Fingerprint fees for employment and visa purposes	50	46
Garda masts	523	492
Carrier liability	716	485
Age cards	252	279
Unclassified items	825	647
	<u>12,149</u>	<u>11,622</u>

**4.3 Extra receipts payable to the Exchequer**

	<b>2016</b>		<b>2015</b>
	<b>Estimate</b>	<b>Realised</b>	<b>Realised</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>
Balance at 1 January		1,015	207
Receipts from Road Traffic Act fines		3,650	3,409
Transferred to Exchequer		(3,887)	(2,601)
Balance at 31 December		<u>778</u>	<u>1,015</u>

**4.4 Fixed charge notice receipts**

Total receipts from fixed charge notices in 2016 was €17.64 million (2015: €20.68 million). Of this, €13.99 million (2015: €17.28 million) was retained as appropriation-in-aid of the Vote. The balance of receipts of €3.65 million (2015: €3.4 million) was paid over to the Exchequer.

The reduction in the receipts is due to an overall reduction in the number of fixed charge notices issued in respect of non-intercept speeding detections. The rate of payment in respect of these fixed charge notices has remained relatively static with a slight 1% increase in the payment rate. The reason for the reduction in overall detections is twofold with increased compliance within the safety camera zones and a reduction in the number of Garda robot vans operating.

## 5 Employee Numbers and Pay

	2016	2015
<b>Number of staff at year end</b> (full time equivalents)		
Garda members	12,943	12,816
Student Gardaí	507	250
Civilians	1,999	2,007
Garda reservists <sup>a</sup>	682	941
	<u>16,131</u>	<u>16,014</u>

<sup>a</sup> Garda reservists are recruited by an online application process which is managed by the Public Appointments Service.

Garda reservist members are entitled to an annual allowance of €1,000 per annum. However, in order to claim this allowance, reservists must perform a minimum of 208 hours over a 12 month period.

	2016	2015
	€000	€000
Pay	625,808	638,386
Higher, special or additional duties allowance	344	339
Other allowances	193,455	202,600
Overtime	91,076	56,330
Employer's PRSI	68,817	65,661
<b>Total Pay</b>	<u>979,500</u>	<u>963,316</u>

### 5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2016 €	Maximum individual payment 2015 €
Higher, special or additional duties	194	2	11,056	15,863
Overtime and extra attendance	12,512	3,154	67,947	62,996
Shift and roster allowances	12,889	7,231	36,894	33,571
Miscellaneous	13,622	740	74,021	75,421
Extra remuneration in more than one category	12,871	11,820	102,651	82,036

**5.2 An Garda Síochána Reward Fund**

The purpose of the Fund is to pay awards for Garda bravery and an annual contribution for Garda chaplaincy services from moneys received in relation to Garda disciplinary fines.

The following statement shows the total receipts proper to the Fund in the year, the amount of payments in the period and the balance of the Fund at year end.

	<b>2016</b>	<b>2015</b>
	<b>€000</b>	<b>€000</b>
Balance brought forward on 1 January	407	379
Receipts	86	82
Payments	(52)	(54)
Balance on 31 December	<u>441</u>	<u>407</u>

**5.3 Payroll overpayments**

Garda and civilian payroll overpayments at the year end were €1,313,072 (857 cases) (2015: €1,161,648 in 961 cases). Of this, €472,113 (312 cases) had recovery plans in place.

Garda pension overpayments at the year end were €498,684 (195 cases) (2015: €484,698 in 185 cases). Of this, €202,618 (27 cases) had recovery plans in place.

**5.4 Other remuneration arrangements**

Twenty three retired civil servants in receipt of civil service pensions were re-engaged on various duties in 2016 at a total cost of €73,692.

## 6 Miscellaneous

### 6.1 Support for representative associations

Included in subhead A.1 is a total of €241,514 in respect of the remuneration of members of An Garda Síochána on special leave with pay to staff representative bodies or assigned to welfare organisations.

Grants of €58,000 each were made to both the Association of Garda Superintendents and the Association of Chief Superintendents.

Sums of €46,584 and €131,743 were charged in respect of postal and telecommunications services and accommodation availed of by staff representative bodies and welfare organisations.

### 6.2 Commissions and special inquiries

	Year of appointment	Cumulative expenditure to 31 December 2016 €000	2016 Outturn €000	2015 Outturn €000
Ronan McLochlainn Commission of Investigation	2014	288	81	207
O'Higgins Commission of Investigation	2015	238	81	157

### 6.3 Statement of losses (Garda vehicles, etc.)

A total of 602 accidents involving Garda vehicles were reported in 2016 (2015: 682). Damage to official vehicles and other costs amounted to €774,093. Compensation totalling €78,974 was recovered.

### 6.4 Fraud and suspected fraud

	2016 €000	2015 €000
Alleged misappropriation of moneys	7	8

There were 27 detected/alleged fraud instances in 2016 which are currently under Garda investigation (2015: 25).

### 6.5 Compensation and legal costs

The account includes expenditure in relation to legal costs and compensation awards taken by members and employees of An Garda Síochána and by members of the public.

					2016	2015
	Number of cases	Compensation awarded	Legal costs awarded	Other costs awarded <sup>a</sup>	Total	Total
		€000	€000	€000	€000	€000
<b>Claims by members and employees of An Garda Síochána<sup>b</sup></b>						
Under Garda Síochána Compensation Acts 1941-1945	93	4,742	1,611	—	6,353	5,001
Through the State Claims Agency for injuries received while on duty <sup>c</sup>	52	666	279	39	984	864
Legal actions taken by Garda members	6	231	169	—	400	157
<b>Civil claims by members of the public</b>						
Claims arising from actions of Gardaí in the performance of their duties	227	4,244	2,392	27	6,663	5,535
Claims (including by Garda members) resulting from accidents involving Garda vehicles	218	2,064	637	113	2,814	2,251

At 31 December 2016

- 1,432 claims outstanding under the Garda Síochána Compensation Acts (2015: 1,038)
- 178 civil claims outstanding relating to accidents involving Garda vehicles (2015: 196)
- 1,423 civil claims other than those involving Garda vehicles outstanding (2015: 1,643)

<sup>a</sup> Other costs awarded relate to agency fees, investigator fees, medical fees etc.

<sup>b</sup> Compensation payments amounting to €112,969 (2015: €143,628) were paid on foot of the Occupational Injuries Benefit Scheme which is administered through the Department of Social Protection. These payments are not included in the table above.

<sup>c</sup> These may include part payments over a number of years for individual cases.

### 6.6 Carryover to 2017

Under section 91 of the Finance Act 2004, €9.34 million in unspent allocation in respect of capital elements for subhead A.12 capital building programme was carried forward to 2017.

**6.7 EU Projects**

There were three EU funded projects in 2016. The funds received in the year are as follows:

	<b>2016</b>
	<b>€000</b>
Internal Security Fund	1,109
Broadmap	93
Slándáil	11
<b>Total</b>	<b>1,213</b>

The Internal Security Fund is to promote the implementation of an internal security strategy, law enforcement cooperation and the management of the Union's external borders. The fund will focus on two specific objectives from 2014 to 2020:

- **Fight against crime:** combating cross-border, serious and organised crime including terrorism, and reinforcing coordination and cooperation between law enforcement authorities and other national authorities of EU states, including with EUROPOL and other relevant EU bodies, and with relevant non-EU and international organisations.
- **Managing risk and crisis:** enhancing the capacity of EU states and the Union for managing effectively security-related risk and crisis, and preparing for protecting people and critical infrastructure against terrorist attacks and other security related incidents.

Broadmap is to collect and validate public protection and disaster relief organisations existing requirements with the aim to establish a core of set specifications, and roadmap for procurement to achieve future evolution of EU broadband applications and interoperable radio communications solutions.

Slándáil is to improve the use of social media in disaster management by developing a cost effective and ethical social media information system for use in a variety of emergency situations.

Also in the year, funding is received from CEPOL. CEPOL is an agency of the European Union dedicated to develop, implement and coordinate training for law enforcement officials. In 2016, two CEPOL training programmes entitled 'Instruments and Systems of European Police Cooperation in English' were delivered to law enforcement officials in Ireland. CEPOL provided €119,000 in funding to An Garda Síochána to provide these courses.