

Appropriation Account 2021

Vote 4

Central Statistics Office

Introduction

As Accounting Officer for Vote 4, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2021 for the salaries and expenses of the Central Statistics Office.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2021, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €2.938 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, as set out by the Department of Public Expenditure and Reform in circulars 1 and 9 of 2022, have been applied in the preparation of the account.

Statement on Internal Financial Control

Responsibility for system of internal financial control

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

This responsibility is exercised in the context of the resources available to me and my other obligations as Director General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are 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 Office and the National Shared Services Office for the provision of HR and payroll shared services.

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

Financial control environment

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

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

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

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

Internal audit and Audit Committee

I confirm that the Office 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 Office 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.

Non-compliance with procurement rules

The Office 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 Office complied with all relevant guidelines with the exception of two non-compliant contracts totalling €78,557 as set out below:

- One contract with a value of €51,600 related to a short-term rollover of an existing contract. This was required due to unavoidable delays with the implementation of services under a new competitive contract.
- One contract with a value of €26,957 where annual renewal was less than €25,000 but a necessary upgrade purchased later in the year resulted in cumulative expenditure exceeding the threshold of €25,000.

The Office intends to remedy this situation by increasing the oversight and compliance role of procurement support section. Enhanced governance policies and procedures include the proactive management of legacy issues. An integrated contract management system went live in 2021 and its ongoing development will provide greater visibility on contract expenditure and pending deadlines.

The Office has provided details of seven non-competitive contracts in the annual return in respect of circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure and Reform.

Risk and control framework

The Office has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Office and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the management board on a bi-annual basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the management board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

I confirm that the Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Office responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2021 that resulted in, or may result in, a material loss.

Covid-19 control issues

Assessments of the impact of Covid-19 were carried out throughout the year; this included impacts on statistical production, financial controls and support area processes, requirements for supporting remote working and staff wellbeing, ensuring physical safety of essential on-site staff, and security of buildings and assets.

The initial focus of the enforced home working for the vast majority of CSO's 900 plus staff was to maintain business continuity while migrating staff to a remote working system. Users connected directly to their office desktop facilitating stable, secure remote access to CSO systems and no reduction in security controls. During 2021 the Office commenced the roll out to all staff of a co-managed corporate laptop. Microsoft Teams was introduced to aid and enhance collaboration and communications. A project was also launched to upgrade and replace the existing remote working infrastructure to provide additional capacity and support future developments.

Finance checks and processes continued offsite including checker/reviewer verifications and segregation of duties. A process of electronic signatures has been implemented for the completion of invoice payment authorisation forms. All the pre-existing processes and checks are being maintained before submitting invoices to Finance section for payment.

The Office continued to deliver the annual statistical work programme and all other work from a predominantly home-based environment throughout 2021. The Office continued to provide statistical and analytical expertise and new data services to support central government's response to the pandemic. Alongside the new data services, the Office delivered a series of new surveys, outputs, and formats to capture changes in Ireland's economy and society since the Covid-19 outbreak. The Office continued to access new data sources to meet the demand for insight into the impact of the crisis on businesses and society, and to work to consolidate the access to new sources provided and to develop additional new outputs from these sources. The Office continued to develop its Data Stewardship role and to improve data quality across the civil and public service through our secondments programme, leadership role around the National Data Infrastructure (NDI), and through the development and roll-out of our Quality, Methodology and Technology Strategies.

Pádraig Dalton
Accounting Officer
Central Statistics Office

30 March 2022

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 4 Central Statistics Office

Opinion on the appropriation account

I have audited the appropriation account for Vote 4 Central Statistics Office for the year ended 31 December 2021 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 4 Central Statistics Office for the year ended 31 December 2021, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Central Statistics Office and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy

Comptroller and Auditor General

30 August 2022

Appendix to the report

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with Section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure and Reform
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities 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 account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Reporting on the statement on internal financial control

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the certificates of opinion on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 4 Central Statistics Office

Appropriation Account 2021

	2021	2020
	Estimate provision	Outturn
	€000	€000
Programme expenditure		
A Delivery of annual statistical programme	64,675	61,880
	64,675	61,880
Gross expenditure		
<i>Deduct</i>		
B Appropriations-in-aid	1,520	1,663
	63,155	60,217
Net expenditure	63,155	60,217

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2021	2020
	€	€
Surplus to be surrendered	2,938,409	2,179,548

Pádraig Dalton
Accounting Officer
Central Statistics Office

30 March 2022

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2021

	2021	2020
	€000	€000
Pay	48,028	45,275
Non pay	13,852	19,704
Gross expenditure	61,880	64,979
<i>Deduct</i>		
Appropriations-in-aid	1,663	1,469
Net expenditure	60,217	63,510
Changes in capital assets		
Purchases cash	(4,493)	
Depreciation	1,580	(2,913)
		(7,304)
Changes in net current assets		
Increase in closing accruals	(587)	
Increase in stock	(46)	(633)
		(576)
Direct expenditure	56,671	55,630
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	8,816	8,888
Notional rents	1,706	1,706
Net programme cost	67,193	66,224

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 4 borne elsewhere.

	2021	2020
	€000	€000
Vote 9 Office of the Revenue Commissioners	1,259	1,350
Vote 12 Superannuation and Retired Allowances	6,484	6,198
Vote 13 Office of Public Works	971	1,237
Vote 18 National Shared Services Office	102	103
	8,816	8,888

Note 2 Statement of Financial Position as at 31 December 2021

	Note	2021 €000	2020 €000
Capital assets	2.1	19,293	16,380
Current assets			
Bank and cash	2.2	981	1,067
Stocks	2.3	144	98
Prepayments	2.4	1,968	1,495
Accrued income		113	99
Other debit balances	2.5	108	226
Net Exchequer funding	2.7	753	649
Total current assets		4,067	3,634
Less current liabilities			
Accrued expenses		362	462
Other credit balances	2.6	1,842	1,942
Total current liabilities		2,204	2,404
Net current assets		1,863	1,230
Net assets		21,156	17,610
Represented by:			
State funding account	2.8	21,156	17,610

2.1 Capital assets

	Office equipment	Furniture and fittings	Capital assets under development	Total
	€000	€000	€000	€000
Gross assets				
Cost or valuation at 1 January 2021	70,208	3,212	10,310	83,730
Additions	334	—	4,159	4,493
Disposals	(239)	(6)	—	(245)
Transfers	2,738	—	(2,738)	—
Cost or valuation at 31 December 2021	73,041	3,206	11,731	87,978
Accumulated depreciation				
Opening balance at 1 January 2021	64,262	3,088	—	67,350
Depreciation for the year	1,557	23	—	1,580
Depreciation on disposals	(239)	(6)	—	(245)
Cumulative depreciation at 31 December 2021	65,580	3,105	—	68,685
Net assets at 31 December 2021	7,461	101	11,731	19,293
Net assets at 31 December 2020	5,946	124	10,310	16,380

2.2 Bank and cash

at 31 December	2021	2020
	€000	€000
PMG balances	979	1,065
Petty cash	2	2
	981	1,067

2.3 Stocks

at 31 December	2021	2020
	€000	€000
Stationery	99	87
IT consumables	18	11
Gift vouchers	27	—
	144	98

2.4 Prepayments

at 31 December	2021	2020
	€000	€000
IT services and support	1,568	1,344
Census publicity	227	—
Other prepayments	173	151
	1,968	1,495

2.5 Other debit balances

at 31 December	2021	2020
	€000	€000
Recoupable salaries	26	162
Recoupable travel expenditure	—	3
Recoupable travel pass expenditure	9	6
OPW suspense balance	51	38
Other debit suspense items	22	17
	108	226

2.6 Other credit balances

at 31 December	2021	2020
	€000	€000
Amounts due to the State		
Income tax	659	560
Pay related social insurance	432	380
Professional services withholding tax	121	31
Value added tax	19	56
Pension contributions	219	121
Local property tax	5	5
Universal social charge	129	113
	1,584	1,266
Payroll deductions held in suspense	183	186
Other credit suspense items	75	490
	1,842	1,942

2.7 Net Exchequer funding

at 31 December	2021	2020
	€000	€000
Surplus to be surrendered	2,938	2,180
Exchequer grant undrawn	<u>(3,691)</u>	<u>(2,829)</u>
Net Exchequer funding	<u>(753)</u>	<u>(649)</u>
Represented by:		
Debtors		
Bank and cash	981	1,067
Debit balances: suspense	<u>108</u>	<u>226</u>
	1,089	1,293
Creditors		
Due to the State	(1,584)	(1,266)
Credit balances: suspense	<u>(258)</u>	<u>(676)</u>
	(1,842)	(1,942)
	<u>(753)</u>	<u>(649)</u>

2.8 State funding account

	Note	2021	2020
		€000	€000
Balance at 1 January		17,610	9,730
Disbursements from the Vote			
Estimate provision	Account	63,155	
Surplus to be surrendered	Account	<u>(2,938)</u>	
Net vote		60,217	63,510
Expenditure (cash) borne elsewhere	1.1	8,816	8,888
Non cash expenditure – notional rent	1	1,706	1,706
Net programme cost	1	<u>(67,193)</u>	<u>(66,224)</u>
Balance at 31 December		<u>21,156</u>	<u>17,610</u>

2.9 Commitments

at 31 December	2021	2020
	€000	€000
Procurement of goods and services	<u>7,121</u>	<u>9,162</u>
Total of legally enforceable commitments	<u>7,121</u>	<u>9,162</u>

2.10 Matured liabilities

at 31 December	2021	2020
	€000	€000
Estimate of matured liabilities not discharged at year end	1	1

2.11 Contingent liabilities

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

Note 3 Vote Expenditure

Analysis of administration expenditure

All of the allocation for Vote 4 Central Statistics Office is classified as administrative expenditure applied towards a single programme: delivery of annual statistical programme.

		2021		2020
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	48,576	48,028	45,275
ii	Travel and subsistence	1,290	186	369
iii	Training and development and incidental expenses	1,580	1,747	942
iv	Postal and telecommunications services	1,230	1,230	2,717
v	Office equipment and external IT services	8,866	8,445	13,462
vi	Office premises expenses	1,259	1,466	1,177
vii	Consultancy services and value for money and policy reviews	30	18	9
viii	Collection of statistics	1,844	760	1,028
		64,675	61,880	64,979

Significant variations

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

ii Travel and subsistence

Estimate provision €1.29 million; outturn €186,000

The decrease of €1.104 million on expenditure on travel and subsistence was due to travel restrictions arising from the Covid-19 pandemic.

iii Training and development and incidental expenses

Estimate provision €1.58 million; outturn €1.747 million

The increase of €167,000 on expenditure on training and development and incidental expenses was due to additional expenditure on census 2022 publicity.

vi Office premises expenses

Estimate provision €1.259 million; outturn €1.466 million

The increase of €207,000 on expenditure on office premises expenses was due to additional expenditure on office improvements, Covid-19 related work and home office needs.

viii Collection of statistics

Estimate provision €1.844 million; outturn €760,000

The decrease of €1.084 million on expenditure on collection of statistics was due to Covid-19 restrictions. The Office was obliged to postpone the Household Budget Survey.

Note 4 Receipts

4.1 Appropriations-in-aid

	2021		2020
	Estimated €000	Realised €000	Realised €000
1 European Union receipts	130	182	157
2 Miscellaneous	70	96	66
3 Receipts from additional superannuation contributions on public service remuneration	1,320	1,385	1,246
Total	1,520	1,663	1,469

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2021	2020
Number of staff at year end	<u>898</u>	<u>853</u>

5.2 Pay

	2021	2020
	€000	€000
Pay	44,103	41,620
Higher, special or additional duties allowances	280	228
Other allowances ^a	—	—
Overtime	63	66
Employer's PRSI	3,582	3,361
Total pay ^b	<u>48,028</u>	<u>45,275</u>

Note ^a Due to a re-classification of allowances in the 2021 Account, the 2020 special allowances and other allowances have been re-configured for comparative purposes.

^b The total pay figure is that of subhead A(i).

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2021	2020
			€	€
Higher, special or additional duties allowances	59	2	14,419	13,206
Overtime and extra attendance	13	1	10,846	11,232
Other allowances	1	—	40	—
Extra remuneration in more than one category	12	7	18,406	18,676

5.4 Other remuneration arrangements

Three retired civil servants in receipt of a civil service pension were re-engaged on a fee basis at a total cost of €6,305 during 2021. The payments made were consistent with the principles of the Public Services (Single Scheme and other Provisions) Act 2012.

There were no officers serving outside the Office for all or part of 2021 and whose salaries were paid by the Office.

This account does not include expenditure in respect of 34 officers who were serving outside the Office for all or part of 2021 in other government department/offices and whose salaries were not recouped by the Office.

5.5 Payroll overpayments

	Number of recipients	2021 €	2020 €
Overpayments	45	82,554	114,143
Recovery plans in place	21	48,395	30,346

Six overpayment recovery plans in respect of five individuals to the value of €13,076 were transferred to other Departments in the year.

5.6 Salary of Accounting Officer

As at 31 December 2021, the Accounting Officer's salary is at the grade of Secretary General Level III, with an annual gross salary of €192,474 (as at 31 December 2020, €190,568).

Note 6 Miscellaneous

6.1 EU funding

The Office receives funding in relation to projects/surveys conducted on behalf of Eurostat. During 2021, the CSO received EU income of €182,452 on foot of two contracts. Both contracts were for data collection to facilitate purchasing power parity comparisons between capital city prices. This funding has been recognised as appropriations-in-aid in 2021.

6.2 Compensation and legal costs

Payments/costs paid by the Department in the year

	Claims by		Total 2021	Total 2020
	employees	members of the public		
Number of cases	3	—	3	2
	€000	€000	€000	€000
Department's own legal costs	9	—	9	—
Payments by/on behalf of Department				
Compensation	95	—	95	—
Legal costs	—	—	—	14
Other costs	2	—	2	—
2021 Total	106	—	106	14
2020 Total	14	—	106	—

Notes ^a As at 31 December 2021, the following claims were outstanding:

	2021	2020
Injury claims	1	1
Injury at work claims	6	5

Cumulative costs of cases completed in 2021

	Claims by		Total
	employees	members of the public	
Number of cases	—	—	—
	€000	€000	€000
Department's own legal costs	—	—	—
Payments by/on behalf of Department			
Compensation	—	—	—
Legal costs	—	—	—
Other costs	—	—	—
Total	—	—	—