

## **Appropriation Account 2020**

---

### **Vote 43**

**Office of the Government Chief**

**Information Officer**

---

## **Introduction**

As Secretary General of the Department of Public Expenditure and Reform (DPER), I am the Accounting Officer for Vote 43. Accordingly, 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 2020 for the salaries and expenses of the Office of the Government Chief Information Officer.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2020, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €411,000 is liable for surrender to the Exchequer.

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

### ***Establishment of the Vote***

A separate Vote was created for the Office of the Government Chief Information Officer (OGCIO) with effect from 1 January 2020. Prior to the creation of the Vote, the Office's assets, liabilities and expenditure were accounted for under Vote 11 Office of the Minister for Public Expenditure and Reform. All relevant assets and liabilities were transferred to this Vote.

## **Statement of Accounting Policies and Principles**

The standard accounting policies and principles for the production of appropriation accounts, as set out by DPER in circular 22 of 2020, have been applied in the preparation of the account with the following exception.

### ***Capital assets***

Up to 31 December 2019, capital assets had been recorded on the DPER asset register. Since the establishment of the Vote for this Office on 1 January 2020, most IT assets on the legacy fixed asset-register transferred to the new Vote from DPER. The Office is an office of DPER and as it specialises in the delivery and development of IT services, it remains responsible for DPER's investment in IT and for its IT assets. In general, some DPER IT equipment assets are now recorded on the asset register of the OGCIO. However, DPER has retained and has purchased certain IT assets such as bespoke systems which are for its exclusive use.

### ***Depreciation***

Depreciation is charged monthly on a straight line basis.

## **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 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 Office and the National Shared Services Office for the provision of HR and payroll shared services.

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

The position in regard to the financial control environment, the framework of administrative procedures, management reporting and internal audit is as follows.

### ***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.
- The Statement of Internal Financial Control for the Department of Finance is also relevant given that the Department of Finance provides certain services on a shared basis to Vote 43.
- 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 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
- 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.

***Data security***

The OGCIO in its role as a service provider to a number of public sector bodies implements a multi-layered defence-in-depth approach to cybersecurity and to protecting ICT systems, infrastructures, and services and have developed an Information Security Management System (ISMS) aligned with the industry security standard ISO27001. This ISMS provides an overall governance framework for information security and sets out security policies, objectives, management oversight, practices and governance and ensures continual improvement of information security management. OGCIO's defence-in-depth security strategy is achieved by utilisation of people, processes and technology to support the implementation of ICT security services.

***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 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.

***Procurement compliance***

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 has complied with the guidelines. The Office has provided details of three non-competitive but compliant contracts in the annual return in respect of circular 40 of 2002 to the Comptroller and Auditor General.

***Risk and control framework***

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

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

The risk register details the controls and actions needed to mitigate risks and assigns responsibility for operation of controls 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 Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

***Covid-19 pandemic***

Business continuity measures were put into effect to deal with the impact of Covid-19 and this facilitated the Office in remaining fully operational during 2020.

Due to the devolved nature of budgeting within the Office itself, the outsourcing of operational accounting to the Department of Finance, payroll to the National Shared Services Office and IT systems that allowed the Office work fully remotely from late March 2020, the pandemic-related measures had little effect on the Office's financial control environment.

***Internal financial control issues***

No weaknesses in internal financial control were identified in relation to 2020 that require disclosure in the appropriation account.

**David Moloney**

Accounting Officer

Office of the Government Chief Information Officer

24 March 2021

## **Comptroller and Auditor General**

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

#### **Vote 43 Office of the Government Chief Information Officer**

##### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 43 Office of the Government Chief Information Officer for the year ended 31 December 2020 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 43 Office of the Government Chief Information Officer for the year ended 31 December 2020, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

##### ***Basis of opinion***

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the *Preface to the Appropriation Accounts*. I am independent of the Office of the Government Chief Information Officer and have fulfilled my other ethical responsibilities in accordance with the standards.

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

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

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

I have nothing to report in that regard.

**Seamus McCarthy**

Comptroller and Auditor General

27 August 2021

## Vote 43 Office of the Government Chief Information Officer

### Appropriation Account 2020

	2020	2020
	Estimate provision €000	Outturn €000
<b>Programme expenditure</b>		
A Government ICT services	21,829	21,436
<b>Gross expenditure</b>	<b>21,829</b>	<b>21,436</b>
<i>Deduct</i>		
B Appropriations-in-aid	125	143
<b>Net expenditure</b>	<b>21,704</b>	<b>21,293</b>

#### Surplus

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

	2020
	€
<b>Surplus to be surrendered</b>	<b>410,596</b>

**David Moloney**  
Accounting Officer  
Office of the Government Chief Information Officer

24 March 2021

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2020

	2020
	€000
Programme cost	14,599
Pay	4,334
Non pay	2,503
<b>Gross expenditure</b>	<b>21,436</b>
<i>Deduct</i>	
<b>Appropriations-in-aid</b>	<b>143</b>
<b>Net expenditure</b>	<b>21,293</b>
<b>Changes in capital assets</b>	
Purchases cash	(1,402)
Depreciation	1,358
	(44)
<b>Changes in net current assets</b>	
Decrease in closing accruals	(3,562)
	(3,562)
<b>Direct expenditure</b>	<b>17,687</b>
<b>Expenditure borne elsewhere</b>	
Net allied services expenditure (note 1.1)	(2,627)
<b>Net programme cost</b>	<b>15,060</b>

#### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 43 borne elsewhere, net of costs of shared services provided to other Votes.

	2020
	€000
Vote 7 Finance	70
Vote 9 Office of the Revenue Commissioners	300
Vote 13 Office of Public Works	961
Vote 18 National Shared Services Office	6
	1,337
Cost of shared services provided to other Votes	(3,964)
	<b>(2,627)</b>

## Note 2 Statement of Financial Position as at 31 December 2020

	Note	2020 €000
<b>Capital assets</b>	2.1	7,588
<b>Current assets</b>		
Bank and cash		445
Prepayments	2.2	3,612
Other debit balances	2.3	40
Net Exchequer funding	2.5	71
<b>Total current assets</b>		<u>4,168</u>
<b>Less current liabilities</b>		
Accrued expenses		50
Other credit balances	2.4	556
<b>Total current liabilities</b>		<u>606</u>
<b>Net current assets</b>		<u>3,562</u>
<b>Net assets</b>		<u><u>11,150</u></u>
<b>Represented by:</b>		
<b>State funding account</b>	2.6	<u><u>11,150</u></u>

## 2.1 Capital assets

	IT equipment €000	Furniture and fittings €000	Total €000
<b>Gross assets</b>			
Cost or valuation at 1 January 2020	—	—	—
Transfer from DPER Vote	21,472	126	21,598
Additions	1,402	—	1,402
Disposals	(2,144)	—	(2,144)
Cost or valuation at 31 December 2020	20,730	126	20,856
<b>Accumulated depreciation</b>			
Opening balance at 1 January 2020	—	—	—
Transfer from DPER Vote	13,997	57	14,054
Depreciation method adjustment	(2,149)	(11)	(2,160)
Depreciation for the year	3,505	13	3,518
Depreciation on disposals	(2,144)	—	(2,144)
Cumulative depreciation at 31 December 2020	13,209	59	13,268
<b>Net assets at 31 December 2020</b>	<b>7,521</b>	<b>67</b>	<b>7,588</b>

## 2.2 Prepayments

at 31 December	<b>2020</b> <b>€000</b>
IT services	1,099
Licences	1,721
Software maintenance	181
Telecom services	602
Warranty	9
	<b>3,612</b>

## 2.3 Other debit balances

at 31 December	<b>2020</b> <b>€000</b>
Government networks	38
Other debit suspense accounts	2
	<b>40</b>

**2.4 Other credit balances**

at 31 December	<b>2020</b>
	<b>€000</b>
<b>Amounts due to the State</b>	
Income tax	81
Pay related social insurance	41
Professional services withholding tax	206
Value added tax	157
Pension contributions	12
	<u>497</u>
Payroll deductions held in suspense	12
Other credit suspense items	47
	<u><b>556</b></u>

**2.5 Net Exchequer funding**

at 31 December	<b>2020</b>
	<b>€000</b>
Surplus to be surrendered	411
Exchequer grant undrawn	(482)
<b>Net Exchequer funding</b>	<u><b>(71)</b></u>
<b>Represented by:</b>	
<b>Debtors</b>	
Bank and cash	445
Debit balances: suspense	40
	<u>485</u>
<b>Creditors</b>	
Due to the State	(497)
Credit balances: suspense	(59)
	<u>(556)</u>
	<u><b>(71)</b></u>

## 2.6 State funding account

	Note	2020	
		€000	€000
Balance at 1 January		—	—
Disbursements from the Vote			
Estimate provision	Account	21,704	
Surplus to be surrendered	Account	(411)	
Net vote			21,293
Expenditure (cash) borne elsewhere	1.1		(2,627)
Non-cash items – capital assets transfer			7,544
Net programme cost	1		(15,060)
<b>Balance at 31 December</b>			<b>11,150</b>

## 2.7 Commitments

at 31 December	2020
	€000
Procurement of goods and services	393
<b>Total of legally enforceable commitments</b>	<b>393</b>

## 2.8 Matured liabilities

at 31 December	2020
	€000
Estimate of matured liabilities not discharged at year end	10

## Note 3 Vote Expenditure

### Analysis of administration expenditure

Administration expenditure set out below are included in Programme A to present complete programme costings.

		<b>2020</b>	
		<b>Estimate provision</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>
i	Salaries, wages and allowances	5,445	4,334
ii	Travel and subsistence	70	51
iii	Training and development and incidental expenses	137	53
iv	Postal and telecommunications services	292	232
v	Office equipment and external IT services	1,200	2,142
vi	Office premises expenses	30	25
		<b>7,174</b>	<b>6,837</b>

### 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).

#### v Office equipment and external IT services

*Estimate provision €1.2 million; outturn €2.142 million*

The excess in expenditure of €942,000 relative to the estimate provision due to OGCI0 preparing the Department of Public Expenditure and Reform to work remotely during the Covid-19 public health emergency. The Department's ICT budget is held by OGCI0, and the over spend in this subhead was financed mostly from savings in the admin pay subhead.

**Programme A Government ICT Services**

		<b>2020</b>	
		<b>Estimate provision</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>
A.1	Administration – pay	5,445	4,334
A.2	Administration – non pay	1,729	2,503
A.3	Government ICT services	14,655	14,599
		<b>21,829</b>	<b>21,436</b>

**Note 4 Receipts****4.1 Appropriations-in-aid**

		<b>2020</b>	
		<b>Estimated</b>	<b>Realised</b>
		<b>€000</b>	<b>€000</b>
1	Miscellaneous	10	16
2	Receipts from additional superannuation contributions on public service remuneration	115	127
<b>Total</b>		<b>125</b>	<b>143</b>

**4.2 Extra receipts payable to the Exchequer**

		<b>2020</b>
		<b>€000</b>
	Balance at 1 January	—
	Enterprise Ireland reimbursement	25
	Transferred to the Exchequer	—
	<b>Balance at 31 December</b>	<b>25</b>

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents	2020
Number of staff at year end	68

### 5.2 Pay

	2020 €000
Pay	3,902
Other allowances	50
Overtime	55
Employer's PRSI	327
<b>Total pay</b>	<b>4,334</b>

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment
			2020 €
Other allowances	6	2	11,459
Overtime	17	1	15,788
Extra remuneration in more than one category	5	4	25,854

### 5.4 Payroll overpayments

	Number of recipients	2020 €
Overpayments	8	10,671
Recovery plans in place	5	8,576