

Appropriation Account 2020

Vote 41

Policing Authority

Introduction

As Chief Executive of the Policing Authority, I am the Accounting Officer for Vote 41. 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 Policing Authority.

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 €615,000 is liable for surrender to the Exchequer.

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

Role of the Authority

The Policing Authority was established on 1 January 2016 by the enactment of the Garda Síochána (Policing Authority and Miscellaneous Provisions) Act 2015. It comprises the Chairperson and eight members.

The primary role of the Authority is to oversee the performance by the Garda Síochána of its functions relating to policing services.

The Authority is additionally responsible for

- leading and directing the Authority's activities
- compliance and all applicable statutory obligations
- holding the CEO and senior management to account for the effective performance of their responsibilities
- matters relating to audit, governance and risk management
- ensuring that there are effective systems of internal control in place and implemented
- the preparation and adoption of a strategic plan, and
- the preparation of the annual report of the Authority.

The Authority has adopted the *Code of Practice for the Governance of State Bodies*, and in accordance with provision 2.6 of the code the Chairperson of the Authority will submit a comprehensive report to the Minister for Justice by 31 March 2021.

The annual report of the Authority for 2020 will be submitted to the Minister for Justice by 31 March 2021.

It was disclosed in last year's appropriation account that on foot of the report of the Commission on the Future of Policing it is proposed that a new statutory body be established, merging the Garda Inspectorate and the Policing Authority. The new legislation remains pending and therefore, the Authority's existing statutory functions and oversight role remains.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform in Circular 22 of 2020, have been applied in the preparation of the account.

As provided for in Department of Public Expenditure and Reform Circular 21 of 2020, the Authority has applied a threshold of €1,000 for the capitalisation of capital assets in 2020.

Statement on Internal Financial Control

Responsibility for system of internal financial control

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

This responsibility is exercised in the context of the resources available to me and my other obligations as Chief Executive. 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

Financial services are provided to the Authority under a service level agreement by Financial Shared Services in the Department of Justice. Payroll and HR services are provided to the Authority by the National Shared Services Office under a memorandum of understanding. I have fulfilled my responsibilities in relation to the requirements of these agreements.

The Accounting Officers of the Department of Justice and of the National Shared Services Office are responsible for the operation of the internal control systems in relation to financial shared services, and payroll and HR services, respectively. I rely on letters of assurance from both of the Accounting Officers that appropriate systems of governance and internal control are exercised over the services that they provide to the Authority.

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.
- 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
- the Authority 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, which are complied with by the Authority.

Internal audit and Audit Committee

I confirm that the Authority has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Due to the size of the agency, this function is outsourced to a professional service firm, whose services are subject to normal re-tendering in accordance with procurement procedures. Its work is informed by analysis of the financial risks to which the Authority 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 Authority's Audit and Risk Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Procurement compliance

I confirm that the Authority ensures that there is an appropriate focus on good practice in procurement, that procedures are in place to ensure compliance with all relevant guidelines, and that the Authority has complied with those guidelines.

Risk and control framework

The Authority 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 Authority and these have been identified, evaluated and graded according to their significance. The register is a living document and is reviewed and updated by Authority and the Senior Management Team on a monthly 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 the Senior Management Team, 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 Authority has procedures to monitor the effectiveness of its risk management and control procedures. The Authority'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

The Senior Management Team, Audit and Risk Committee, internal auditors and the Authority have paid close attention on an ongoing basis to the impact of Covid-19 on the Authority's operations in general and on the control environment in which the Authority operates. Initially, the significant risks identified were those relating to business continuity and health and safety, in response to which the Authority took immediate and ongoing actions. These included the following

- allocation of responsibility for business continuity to the designated Business Continuity Manager
- immediate introduction of a working from home policy for all staff
- roll-out of remote network access to all staff to facilitate working from home
- development and implementation of strict infection control measures in the Authority's offices
- communication to all staff of guidelines and reminders on how to work from home safely and effectively, and with due regard to data protection and appropriate internal controls
- provision of the necessary IT equipment to enable home-working including intra-organisation communication
- implementation of a policy of frequent direct communication between managers and staff while working from home and
- an on-going focused approach on staff engagement and well-being throughout the pandemic.

With specific regard to internal controls during the Covid-19 emergency period

- the work of the Audit and Risk Committee and internal audit oversight has continued without interruption, and, in particular, the annual internal audit of controls took place as scheduled with a specific focus on the impact of the Covid-19 pandemic
- key financial controls have been maintained, with adaption of certain processes to suit remote working
- payment timelines were affected while adapted processes were being bedded down, but have since recovered
- close attention was and continues to be paid to key financial controls and payment timelines by the Chief Executive, the Audit and Risk Committee, the internal auditors and the Finance Officer and
- in mitigation of the obvious risk of personnel loss during the period, HR and personnel functions have also been maintained, with successful recruitment and on-boarding of new personnel at both Authority and staff levels.

All Authority members and staff have continued to work from home during the emergency period, with office attendance by prior arrangement, on condition of provision of an appropriate Covid-19 health form and only in exceptional circumstances. A record of any such attendance is maintained on an ongoing basis.

The Authority held 21 Authority meetings in 2020, 11 of them with the Commissioner and five of those in public. From 11 March 2020 all such meetings were held remotely, with public meetings being live-streamed.

Internal financial control issues

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

Helen Hall
Accounting Officer
Policing Authority

16 March 2021

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 41 Policing Authority

Opinion on the appropriation account

I have audited the appropriation account for Vote 41 Policing Authority 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 41 Policing Authority 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 Policing Authority 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

16 June 2021

Vote 41 Policing Authority

Appropriation Account 2020

		2020	2019
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A	Provision of independent oversight of the policing functions of An Garda Siochána	3,413	2,817
	Gross expenditure	3,413	2,817
	<i>Deduct</i>		
B	Appropriations-in-aid	47	66
	Net expenditure	3,366	2,751

Surplus

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

	2020	2019
	€	€
Surplus to be surrendered	615,165	544,124

Helen Hall
Accounting Officer
Policing Authority

16 March 2021

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2020

	2020	2019
	€000	€000
Administration pay	2,087	1,932
Administration non-pay	730	913
Gross expenditure	2,817	2,845
<i>Deduct</i>		
Appropriations-in-aid	66	65
Net expenditure	2,751	2,780
Changes in capital assets		
Purchases cash	(25)	
Depreciation	6	(19)
	6	—
Changes in net current assets		
Decrease in closing accruals	(9)	
Increase in stock	(6)	12
	(6)	12
Direct expenditure	2,717	2,792
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	315	313
Net programme cost	3,032	3,105

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 41 borne elsewhere.

	2020	2019
	€000	€000
Vote 9 Office of the Revenue Commissioners	8	8
Vote 13 Office of Public Works	253	253
Vote 18 National Shared Services Office	5	4
Vote 24 Justice	49	48
	315	313

Note 2 Statement of Financial Position as at 31 December 2020

	Note	2020 €000	2019 €000
Capital assets	2.1	35	16
Current assets			
Bank and cash		130	83
Stocks	2.2	13	7
Prepayments		14	15
Other debit balances		42	4
Net Exchequer funding	2.4	—	14
Total current assets		199	123
Less current liabilities			
Accrued expenses		21	31
Other credit balances	2.3	129	101
Net Exchequer funding	2.4	43	—
Total current liabilities		193	132
Net current assets		6	(9)
Net assets		41	7
Represented by:			
State funding account	2.5	41	7

2.1 Capital assets

	Office equipment €000	Furniture and fittings €000	Total €000
Gross assets			
Cost or valuation at 1 January 2020	24	34	58
Additions	23	2	25
Cost or valuation at 31 December 2020	47	36	83
Accumulated depreciation			
Opening balance at 1 January 2020	12	30	42
Depreciation for the year	5	1	6
Cumulative depreciation at 31 December 2020	17	31	48
Net assets at 31 December 2020	30	5	35
Net assets at 31 December 2019	12	4	16

2.2 Stocks

at 31 December	2020 €000	2019 €000
Stationery	11	5
Catering	—	1
Cleaning	2	1
IT consumables	—	—
	13	7

2.3 Other credit balances

at 31 December	2020 €000	2019 €000
Amounts due to the State		
Income tax	63	57
Pay related social insurance	24	20
Professional services withholding tax	19	15
Value added tax on foreign invoices	6	6
	112	98
Other credit suspense items	17	3
	129	101

2.4 Net Exchequer funding

at 31 December	2020	2019
	€000	€000
Surplus	615	544
Exchequer grant undrawn	(572)	(558)
Net Exchequer funding	43	(14)
Represented by:		
Debtors		
Bank and cash	130	83
Debit balances: suspense	42	4
	172	87
Creditors		
Due to the State	(112)	(98)
Credit balances: suspense	(17)	(3)
	(129)	(101)
	43	(14)

2.5 State funding account

	Note	2020	2019
		€000	€000
Balance at 1 January		7	19
Disbursements from the Vote			
Estimate provision	Account	3,366	
Surplus to be surrendered	Account	(615)	
Net vote		2,751	2,780
Expenditure (cash) borne elsewhere	1.1	315	313
Net programme cost	1	(3,032)	(3,105)
Balance at 31 December		41	7

2.6 Commitments

Global commitments		
at 31 December	2020	2019
	€000	€000
Procurement of goods and services	37	85

Note 3 Vote Expenditure

Analysis of administration expenditure

All of the allocation for Vote 41 Policing Authority is classified as administration expenditure applied towards a single programme: Provision of independent oversight of the policing functions of An Garda Síochána.

	2020		2019
	Estimate provision	Outturn	Outturn
	€000	€000	€000
i Salaries, wages and allowances	2,213	2,087	1,932
ii Travel and subsistence	50	7	49
iii Training and development and incidental expenses	745	525	637
iv Postal and telecommunications services	50	12	12
v Office equipment and external IT services	125	139	150
vi Office premises expenses	130	45	64
vii Consultancy services and value for money and policy reviews	100	2	1
	3,413	2,817	2,845

Significant variations

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

iii Training and development and incidental expenses

Estimate provision €745,000; outturn €525,000

The disruption and dislocation in 2020 caused by the Covid-19 emergency led to delays in implementing planned work. This factor, together with staff vacancies and the delaying of certain activities led to savings of €220,000 (2019: €108,000) in this subhead.

Note 4 Receipts

4.1 Appropriations-in-aid

	2020		2019
	Estimated	Realised	Realised
	€000	€000	€000
1 Receipts from additional superannuation contributions on public service remuneration	47	57	65
2 Miscellaneous	—	9	—
Total	47	66	65

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2020	2019
Number of staff at year end	<u>36</u>	<u>33</u>

5.2 Pay

	2020	2019
	€000	€000
Pay	1,903	1,768
Higher, special or additional duties allowances	—	2
Employer's PRSI	<u>184</u>	<u>162</u>
Total pay	<u>2,087</u>	<u>1,932</u>

5.3 Authority members' fees and expenses

In 2020, there were eight members of the Authority, including the Chairperson (2019: nine). The Authority met in plenary a total of 21 times (five in public) (2019: 15 (six in public)) and a total of 27 subcommittee meetings were held (2019: 25).

Fees totalling €150,907 were paid to the Authority members during 2020 (2019: €143,681). Expenses paid to members in 2020 were €3,269 (2019: €19,768). The fees and expenses were charged to subhead A (iii) Training and development and incidental expenses.

5.4 Other remuneration arrangements

Five retired civil servants in receipt of civil service pensions were re-engaged on various duties in 2020 (2019: 11) at a total cost of €27,903 (2019: €82,543). Appropriate procedures are in place with regard to payments to retired personnel in accordance with Section 52 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.