

## **Appropriation Account 2020**

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**Vote 21**

**Prisons**

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## Introduction

As Accounting Officer for Vote 21, 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 Irish Prison Service, and other expenses in connection with prisons, including places of detention and for payment of certain grants.

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 €1.689 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 circular 22 of 2020, have been applied in the preparation of the account except for the following.

### ***Valuation of land and buildings***

The Minister for Justice and Equality owns 13<sup>1</sup> prisons and places of detention, as well as property at the Irish Prison Service College in Portlaoise and property adjacent to the Headquarters building in Longford, and two sites in Dublin: one adjacent to Cloverhill Prison and the other in Thornton.

Land was valued at existing use value or market value (if not in use) by the Valuation Office during 2020 and, with one exception, the revised values are reflected in Note 2.1 capital assets. Land at Thornton continues to be valued at historic cost, including investment in infrastructure and services, on the basis that it is a strategic State asset with potential future use value. Its availability has been identified to the Land Development Agency. This position will be kept under review on an annual basis.

The basis for valuing prison buildings - average replacement cost per cell - remains unchanged.

Prisons land and buildings will be revalued every five years with the next valuation due in 2025.

### ***Valuation of other capital assets***

As provided for in Circular 21 of 2020, the Irish Prison Service has applied a threshold of €1,000 for the capitalisation of its capital assets.

### ***Depreciation***

Buildings are not depreciated in the years between revaluations, on the basis that ongoing annual maintenance expenditure is sufficient to maintain their condition.

With the exception of land and buildings, all other capital assets are depreciated on a straight line basis over their estimated useful life starting in the month placed in service.

<sup>1</sup> There are 12 prisons and places of detention operational at present. The Training Unit in the Mountjoy complex does not hold prisoners currently but is expected to be operational again as soon as possible, subject to an assessment of the risks related to the Covid - 19 pandemic.

### **Consumables**

Supplies for prisoner meals, cleaning, maintenance and workshops are treated as expensed items and are not counted in stocks

## **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 Irish Prison Service.

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***

The National Shared Services Office provides payroll processing services to the Irish Prison Service.

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 the Irish Prison Service.

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 Irish Prison Service
- 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 Department has an internal audit function with appropriately trained personnel, which operates in accordance with an approved written charter. Its work is informed by an analysis of the financial and management risks to which the Prison Service and the Department are exposed. The annual internal audit plans are approved by the Audit Committee and take account of this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. A dedicated audit team has been assigned to work on Prison Service audit issues in 2020, and this brings a greater focus to audit work across the Prison Service. The internal audit function is reviewed periodically by the Audit Committee. I am satisfied that there are procedures in place to ensure that the reports of the internal audit function are followed up.

### ***Non-compliance with procurement rules***

The Irish Prison Service (IPS) 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 in so far as these are within its control.

The Irish Prison Service is compliant with the exception of 16 contracts (in excess of €25,000), totalling €15,520,593 (ex. VAT) as set out below:

- Five contracts with a value of €6,745,191 are considered non-compliant on the basis that they were extended beyond the original contract date as new competitive processes being run in partnership with the Office of Government Procurement (OGP) were not fully completed by the year end. To date, three contracts have been awarded for goods and services that in 2020 accounted for expenditure of €6,224,053; one contract is currently at evaluation stage with the remaining one being progressed for tender publication by the OGP.
- Eleven contracts with a value of €8,775,402 are also considered as non-compliant on the basis that it has been necessary to roll-over beyond the original contract date, while updated procurement arrangements are being put in place. To date, six such contracts have been awarded (2020 value €6,026,290), while tender specifications are being prepared in five cases (2020 value €2,749,112). Four of the five latter cases relate to healthcare and ICT procurements, where staff had to be diverted to deal with responding to the challenges of the pandemic during 2020, hence accounting for the delay in the commencement of the procurement process.

The Irish Prison Service has provided details of non-competitive contracts in the annual return in respect of circular 40/2002.

### ***Risk and control framework***

The Irish Prison Service 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 for each Prison, Directorate and for the Irish Prison Service at a corporate level which identify the key risks at prison, directorate and organisation level and these have been identified, evaluated and graded according to their significance. The Corporate Risk Register is reviewed and updated by the Irish Prison Service Risk Management Committee (Executive Management Team) on a quarterly basis and quarterly reviews also take place at prison/directorate 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 Risk Management Committee, 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**

The Irish Prison Service'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 Irish Prison Service responsible for the development and maintenance of the internal financial control framework.

**Covid-19 pandemic**

The assessment of the impact of Covid-19 has been a central focus at all levels of management across the Irish Prison Service since the onset of the pandemic which has had a wide ranging and significant impact on operations during 2020. Prisons are a high risk environment for transmission of such viruses and the Irish Prison Service has been proactive in managing and mitigating against the risk since the beginning of the crisis. The senior management team has been meeting every day since early March 2020 dealing with the day to day security, safety, healthcare, operational and management challenges posed by the pandemic. An Emergency Response Planning Team was also activated on commencement of the crisis, with key stakeholders represented and meetings convened on a weekly basis to identify and implement protection measures and processes to minimise the impact on prisoners and staff in order to ensure prisons can be as Covid-19 free as possible.

As an essential service, the Irish Prison Service has maintained its core custodial and security operations and other services, to varying degrees, in line with the restriction levels in place under the *National Framework for living with Covid-19*.

While key payment controls were maintained throughout the pandemic, it was necessary to revise certain processes to allow remote approval of invoices and payment forms by email where required. Secure remote access was provided to existing systems allowing staff working remotely to have access to their existing policies, procedures and detailed work manuals. The Irish Prison Service and the internal audit unit are monitoring the changes to the processes introduced in response to Covid-19 restrictions to ensure that they are effective.

There has been a major impact on cost with an estimated €7 million being incurred in 2020 as a result of the pandemic for items such as

- staff costs
- medical PPE
- virus detection measures
- deep cleaning and infection control
- industrial cleaning
- bedding, laundry and catering contingencies
- ICT for improved prisoner services and remote working for staff.

A number of Covid-19 outbreaks occurred in some prisons in late 2020 and early 2021. However, outbreaks have been successfully managed to minimise cases of transmission within prisons.

**Oonagh McPhillips**  
Accounting Officer  
Prisons

30 March 2021

## **Comptroller and Auditor General**

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

#### **Vote 21 Prisons**

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

I have audited the appropriation account for Vote 21 Prisons 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 21 Prisons 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 Department of Justice and of the Irish Prison Service 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.

#### ***Valuation of lands at Thornton Hall***

Without qualifying my opinion, I draw attention to the basis upon which land at Thornton Hall has been valued in the notes to the appropriation account.

Land and buildings held by the Irish Prison Service are valued every five years, and any valuation changes are reflected in the statement of financial position. A valuation of all land and buildings held was carried out in 2020, and an increase of €372 million has been recognised.

Although the lands held by the Irish Prison Service at Thornton Hall was valued by the Valuation Office at €2.7 million in 2020, it continues to be carried on the statement of financial position at a value of €49.3 million. This represents the historic cost of acquisition and development of the lands. The statement of accounting policies and principles discloses the exceptional treatment of this item.

In my view, the exceptional accounting treatment of the Thornton Hall lands is not warranted.

#### **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*.

***Non-compliance with procurement rules***

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with national procurement rules occurred in respect of contracts that operated in 2020.

**Seamus McCarthy**  
Comptroller and Auditor General

24 September 2021



## Vote 21 Prisons

### Appropriation Account 2020

		2020		2019
		Estimate provision €000	Outturn €000	Outturn €000
<b>Programme expenditure</b>				
A	Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison			
	<i>Original</i>	392,363		
	<i>Supplementary</i>	<u>15,728</u>		
			408,091	357,896
			<u>400,879</u>	
				<u>357,896</u>
	<b>Gross expenditure</b>		<b>408,091</b>	<b>357,896</b>
	<i>Deduct</i>			
B	<b>Appropriations-in-aid</b>			
	<i>Original</i>	9,152		
	<i>Supplementary</i>	<u>1,728</u>		
			<u>10,880</u>	<u>10,284</u>
			<b>10,825</b>	
				<b>10,284</b>
	<b>Net expenditure</b>			
	<i>Original</i>	383,211		
	<i>Supplementary</i>	<u>14,000</u>		
			<u>397,211</u>	<u>347,612</u>
			<b>390,054</b>	
				<b>347,612</b>

#### Surplus

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. €5,468,000 of unspent allocations in respect of the capital elements of Subhead A.3 Buildings and equipment was carried forward to 2021.

	2020 €	2019 €
Surplus	7,156,894	1,923,512
Deferred surrender	<u>(5,468,000)</u>	<u>—</u>
<b>Surplus to be surrendered</b>	<b><u>1,688,894</u></b>	<b><u>1,923,512</u></b>

**Oonagh McPhillips**  
Accounting Officer  
Prisons

30 March 2021

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2020

	2020	2019
	€000	€000
Programme cost	110,740	85,387
Pay	271,324	255,084
Non pay	18,815	17,425
<b>Gross expenditure</b>	<b>400,879</b>	<b>357,896</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>10,825</b>	<b>10,284</b>
<b>Net expenditure</b>	<b>390,054</b>	<b>347,612</b>
<b>Changes in capital assets</b>		
Purchases cash	(40,467)	
Depreciation	3,925	
Loss on disposals	2	(23,220)
<b>Changes in net current assets</b>		
Decrease in closing accruals	(1,696)	
Increase in stock	(14)	1,542
<b>Direct expenditure</b>	<b>351,804</b>	<b>325,934</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	70,031	66,587
<b>Net programme cost</b>	<b>421,835</b>	<b>392,521</b>

#### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 21 borne elsewhere.

	2020	2019
	€000	€000
Vote 9 Office of the Revenue Commissioners	270	270
Vote 12 Superannuation and Retired Allowances	68,625	65,221
Vote 13 Office of Public Works	145	150
Vote 18 National Shared Services Office	332	321
Vote 24 Justice – Financial Shared Service Centre	639	625
Vote 43 Office of the Government Chief Information Officer	20	—
	<b>70,031</b>	<b>66,587</b>

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

	Note	2020 €000	2019 €000
<b>Capital assets</b>	2.1	1,404,618	996,383
<b>Current assets</b>			
Bank and cash	2.2	18,859	6,065
Stocks	2.3	2,277	2,263
Prepayments		2,498	1,589
Accrued income		56	431
Other debit balances	2.4	2,086	4,348
<b>Total current assets</b>		<b>25,776</b>	<b>14,696</b>
<b>Less current liabilities</b>			
Accrued expenses		8,385	9,547
Other credit balances	2.5	15,088	10,295
Net Exchequer funding	2.6	5,857	118
<b>Total current liabilities</b>		<b>29,330</b>	<b>19,960</b>
<b>Net current assets</b>		<b>(3,554)</b>	<b>(5,264)</b>
<b>Net assets</b>		<b>1,401,064</b>	<b>991,119</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.7	<b>1,401,064</b>	<b>991,119</b>

## 2.1 Capital assets

	Land and buildings	Office equipment	Furniture and fittings	Motor vehicles	Capital assets under development	Total
	€000	€000	€000	€000	€000	€000
<b>Gross assets</b>						
Cost or valuation at 1 January 2020	972,034	73,730	772	12,325	13,972	1,072,833
Additions	14,925	4,981	10	537	20,014	40,467
Revaluations	371,695	—	—	—	—	371,695
Disposals	—	(764)	(23)	—	—	(787)
Cost or valuation at 31 December 2020	1,358,654	77,947	759	12,862	33,986	1,484,208
<b>Accumulated depreciation</b>						
Opening balance at 1 January 2020	—	67,553	677	8,220	—	76,450
Depreciation for the year	—	2,545	22	1,358	—	3,925
Depreciation on disposals	—	(763)	(22)	—	—	(785)
Cumulative depreciation at 31 December 2020	—	69,335	677	9,578	—	79,590
<b>Net assets at 31 December 2020</b>	<b>1,358,654</b>	<b>8,612</b>	<b>82</b>	<b>3,284</b>	<b>33,986</b>	<b>1,404,618</b>
Net assets at 31 December 2019	972,034	6,177	95	4,105	13,972	996,383

## 2.2 Bank and cash

at 31 December	2020	2019
	€000	€000
PMG balances and cash	18,724	5,433
Commercial bank account balances	135	632
	<u>18,859</u>	<u>6,065</u>

### Non Vote bank accounts

The Irish Prison Service holds 24 commercial bank accounts. Moneys in these accounts are managed by the Irish Prison Service separately to voted funds and relate to prison shops, a Prisoner Assist Fund and two accounts for prisoners' personal cash. With the exception of gratuity payments to individual prisoners, which originate from the Vote, no moneys due to or paid from the Vote are transmitted through these bank accounts. The amount held at the end of 2020 is €3,295,289 and is not included in the account (2019: €2,782,615). See also Note 6.5.

## 2.3 Stocks

at 31 December	2020	2019
	€000	€000
Uniforms and clothing	2,241	2,238
Miscellaneous	36	25
	<u>2,277</u>	<u>2,263</u>

## 2.4 Other debit balances

at 31 December	2020	2019
	€000	€000
Prison imprest accounts	250	255
Payroll suspense account (Paypath)	1,472	3,728
Other debit suspense items	364	365
	<u>2,086</u>	<u>4,348</u>

**2.5 Other credit balances**

at 31 December	2020	2019
	€000	€000
<b>Amounts due to the State</b>		
Income tax	6,905	4,882
Pay related social insurance	3,537	2,379
Professional services withholding tax	115	110
Value added tax	2,311	1,590
Registered contractors tax	27	2
Tax deducted from pension contribution refunds	—	1
	<u>12,895</u>	<u>8,964</u>
Vote related bank account balances	135	632
Payroll deductions held in suspense	919	659
Other credit suspense items	1,139	40
	<u>15,088</u>	<u>10,295</u>

**2.6 Net Exchequer funding**

at 31 December	2020	2019
	€000	€000
Surplus to be surrendered	1,689	1,924
Deferred surrender	5,468	—
Exchequer grant undrawn	(1,300)	(1,806)
<b>Net Exchequer funding</b>	<u>5,857</u>	<u>118</u>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	18,859	6,065
Debit balances: suspense	2,086	4,348
	<u>20,945</u>	<u>10,413</u>
<b>Creditors</b>		
Due to the State	(12,895)	(8,964)
Vote related bank account balances	(135)	(632)
Credit balances: suspense	(2,058)	(699)
	<u>(15,088)</u>	<u>(10,295)</u>
	<u>5,857</u>	<u>118</u>

**2.7 State funding account**

	Note	2020	2019
		€000	€000
Balance at 1 January		991,119	969,008
Disbursements from the Vote			
Estimate provision	Account	397,211	
Deferred surrender	Account	(5,468)	
Surplus to be surrendered	Account	(1,689)	
Net vote		390,054	347,612
Expenditure (cash) borne elsewhere	1.1	70,031	66,587
Asset revaluation (non cash)	2.1	371,695	433
Net programme cost	1	(421,835)	(392,521)
<b>Balance at 31 December</b>		<b>1,401,064</b>	<b>991,119</b>

**2.8 Commitments**

a) Global commitments	2020	2019
at 31 December	€000	€000
Capital projects	41,715	58,127
<b>Total of legally enforceable commitments</b>	<b>41,715</b>	<b>58,127</b>

**b) Major capital projects**

	Cumulative expenditure to 31 December 2019 €000	Expenditure in 2020 €000	Project commitments in subsequent years €000	Expected total spend lifetime of project 2020 €000	Expected total spend lifetime of project 2019 €000
Limerick Prison	11,869	19,989	36,242	68,100 <sup>a</sup>	68,100
	<b>11,869</b>	<b>19,989</b>	<b>36,242</b>	<b>68,100</b>	<b>68,100</b>

Note <sup>a</sup> The redevelopment of Limerick Prison includes an extension to a current wing of the prison, a new female facility and a number of other related works. It will also provide a new Probation Service premises which will be funded, to the value of €3.4 million, by the Office of Public Works.

**2.9 Matured liabilities**

at 31 December	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
Estimate of matured liabilities not discharged at year end	<b>33</b>	<b>7</b>

**2.10 Contingent liabilities**

The Irish Prison Service is involved in a number of pending legal proceedings which may generate liabilities, depending on the outcome of the litigation. The contingent liabilities include compensation claims relating to in-cell sanitation which are being dealt with by the State Claims Agency on behalf of the Irish Prisons Service. Any actual amount or timing of potential liabilities is uncertain. See also Note 6.2 Compensation and legal costs.



## Note 3 Vote Expenditure

### Analysis of administration expenditure

Administration expenditure set out below is included in Programme A expenditure, to provide complete programme costings.

		Estimate provision		2020	2019
		€000	€000	Outturn	Outturn
				€000	€000
i	Salaries, wages and allowances				
	<i>Original</i>	270,110			
	<i>Supplementary</i>	490			
			270,600	271,324	255,084
ii	Travel and subsistence				
	<i>Original</i>	1,816			
	<i>Supplementary</i>	150			
			1,966	1,773	2,208
iii	Training and development and incidental expenses				
	<i>Original</i>	3,860			
	<i>Supplementary</i>	800			
			4,660	4,483	4,343
iv	Postal and telecommunications services				
	<i>Original</i>	1,800			
	<i>Supplementary</i>	(200)			
			1,600	1,474	1,701
v	Office equipment and external IT services				
	<i>Original</i>	6,580			
	<i>Supplementary</i>	3,390			
			9,970	11,085	9,173
vi	Consultancy services and value for money and policy reviews				
	<i>Original</i>	100			
	<i>Supplementary</i>	(100)			
			—	—	—
			<b>288,796</b>	<b>290,139</b>	<b>272,509</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 €6.58 million; outturn €11.085 million*

The excess of €4.505 million compared with the original allocation of €6.58 million is reflected in part in the supplementary estimate of €3.39 million for the subhead. The increased expenditure is related to additional costs associated with managing the continuation and expansion of ICT services, infrastructure and systems during the Covid-19 pandemic including the facilitation of remote working for office-based staff and the provision of services within prisons such as video linking facilities for prisoner families and in cell services for prisoners. The supplementary estimate also reflects increased spending under the Government's Economic Stimulus Package including improvements to disaster recovery, data analytics and procurement systems.

**vi Consultancy services and value for money and policy reviews**

*Estimate provision €100,000; outturn €nil*

The saving of €100,000 compared with the original allocation arises as there was no requirement for consultancy services in the year.

**Programme A Administration and provision of safe, secure, humane and rehabilitative custody for people who are sent to prison**

		2020		2019
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay			
	<i>Original</i>	270,110		
	<i>Supplementary</i>	490		
			270,600	271,324
A.2	Administration – non pay			
	<i>Original</i>	14,156		
	<i>Supplementary</i>	4,040		
			18,196	18,815
A.3	Buildings and equipment			
	<i>Original</i>	68,277		
	<i>Supplementary</i>	(1,108)		
			67,169	60,241
A.4	Prisoner services			
	<i>Original</i>	28,906		
	<i>Supplementary</i>	7,144		
			36,050	34,203
A.5	Operational services			
	<i>Original</i>	4,550		
	<i>Supplementary</i>	400		
			4,950	5,585
A.6	Educational services			
	<i>Original</i>	1,265		
	<i>Supplementary</i>	135		
			1,400	1,424
A.7	Compensation			
	<i>Original</i>	4,873		
	<i>Supplementary</i>	4,627		
			9,500	9,087
A.8	Social disadvantage measures (Dormant accounts funded)			
			226	200
			408,091	400,879
				357,896

**Significant variations**

The following outlines the reasons for significant variations in programme expenditures (+/- 5% and €100,000). Overall, the expenditure in relation to Programme A was €8.516 million higher than the original estimate, this accounting for the supplementary estimate in 2020. This included an overspend of €4.659 million in relation to administration non-pay expenditure (see above). The variation in the remaining subheads is mainly due to the following.

**A.3 Building and equipment**

*Estimate provision €68.277 million; outturn €60.241 million*

The saving of €8.036 million compared with the original allocation of €68.277 million is reflected in part in a reduction in the subhead in the supplementary estimate of €1.108 million for the subhead. €5.468 million of this saving was carried over to 2021 under the deferred capital provisions. The closedown of construction works during national lockdowns in the management of the Covid-19 pandemic led to significant delays in the progress of the major construction project at Limerick Prison. The Government's Economic Stimulus Package provided for other priority projects to be advanced such as infection control cells, CCTV, system improvements, lockings, windows, security systems, control room upgrades, nationwide carbon reduction led lighting replacement and fire alarm upgrades. This reduced the overall saving in the subhead.

**A.4 Prisoner services**

*Estimate provision €28.906 million; outturn €34.203 million*

The excess of €5.297 million compared with the original allocation of €28.906 million is reflected in the supplementary estimate of €7.144 million for the subhead. The increased expenditure relates mainly to significant costs related to the Covid-19 pandemic such as PPE for prisoners and staff, infection control costs, healthcare and cleaning supplies and temperature testing systems. There were also additional Covid-19 related costs in respect of catering for prisoners, for additional dish washing facilities, alternative bread supplies where Mountjoy bakery was locked down, cold storage facilities for food contingencies and for disposable boxes to replace plates for serving meals in prisons as an infection control measure.

**A.5 Operational services**

*Estimate provision €4.55 million; outturn €5.585 million*

The excess of €1.035 million compared with the original allocation of €4.55 million is reflected in part in the supplementary estimate of €400,000 for the subhead. The increased expenditure is due to additional costs for fleet management, security related systems and equipment to combat drug trafficking, incursions and throwovers, in addition to the costs associated with the Community Return Scheme.

**A.6 Educational services**

*Estimate provision €1.265 million; outturn €1.424 million*

The excess of €159,000 compared with the original allocation of €1.265 million is reflected in the supplementary estimate of €135,000 for the subhead. The increased expenditure is due to additional investment in computers and laptops to replace existing outdated stock coupled with additional requirements related to the provision of supplies necessary during the Covid-19 pandemic. Also, Phase II of the upgrade of the SPAN education infrastructure was undertaken in 2020 and Open University expenditure in 2020 was higher than previous years due to an increase in approved applications.

**A.7 Compensation**

*Estimate provision €4.873 million; outturn €9.087 million*

The excess of €4.214 million compared with the original allocation of €4.873 million is reflected in the supplementary estimate of €4.627 million for the subhead. The additional expenditure is due to a significant increase in compensation payments directly related to in-cell sanitation cases managed by the State Claims Agency, and in compensation payments to prison officers for injury on duty. This is a demand led expenditure area managed by the State Claims Agency on behalf of the Irish Prison Service and expenditure can vary depending on the quantum and number of awards.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

		2020		2019
		Estimated €000	Realised €000	Realised €000
1	Miscellaneous			
	<i>Original</i>	305		
	<i>Supplementary</i>	349		
			654	402
2	Dormant account receipts		226	200
3	Receipts from additional superannuation contributions on public service remuneration			
	<i>Original</i>	8,621		
	<i>Supplementary</i>	1,379		
			10,000	9,682
<b>Total</b>		<b>10,880</b>	<b>10,825</b>	<b>10,284</b>

#### Significant variations

The following outlines the reasons for significant variations in receipts (+/- 5% and €100,000). Overall, the appropriations-in-aid were €1.673 million higher than the original estimate of €9.152 million. This is mainly due to the following:

#### 1 Miscellaneous

*Estimate €305,000; realised €583,000*

The surplus of €278,000 compared with the original allocation of €305,000 is reflected in the supplementary estimate of €349,000 for the subhead and is due to a greater volume of receipts being generated than expected. The largest proportion of receipts relate to illness benefit payments from the Department of Social Protection which increased during the year due to the Covid-19 pandemic.

#### 3 Receipts from additional superannuation contributions on public service remuneration

*Estimate €8.621 million; realised €10.042 million*

The surplus of €1.421 million compared with the original allocation of €8.621 million is reflected in the supplementary estimate of €1.379 million for the subhead and is directly related to payroll costs including additional hours.

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents	2020	2019
Number of staff at year end	<u>3,455</u>	<u>3,405</u>

### 5.2 Pay

	2020	2019
	€000	€000
Pay	168,396	157,153
Higher, special or additional duties allowances	439	389
Other allowances	40,747	37,846
Extra attendance and overtime	39,604	39,654
Employer's PRSI	22,138	20,042
<b>Total pay</b>	<u><b>271,324</b></u>	<u><b>255,084</b></u>

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2020	2019
			€	€
Higher, special or additional duties allowances	72	8	18,347	12,565
Extra attendance and overtime	3,089	2,087	83,449	50,519
Shift and roster allowances	2,847	1,593	19,387	19,934
Miscellaneous	3,161	59	12,958	13,076
Extra remuneration in more than one category	3,131	2,921	101,650	67,947

### 5.4 Other remuneration arrangements

A total of €73,140 was paid to 23 retired civil servants in receipt of civil service pensions who were employed on various duties. Payments ranged from €130 to €12,301. A total of €36,973 was paid to eight retired members of An Garda Síochána, who were employed by the Irish Prison Service on specific duties during 2020.

Appropriate procedures were in place with regard to payments to retired staff in accordance with section 52 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

**5.5 Payroll overpayments**

	<b>Number of recipients</b>	<b>2020</b>	<b>2019</b>
		<b>€</b>	<b>€</b>
Overpayments	182	506,901	578,484
Recovery plans in place	95	310,024	398,145

One overpayment recovery plan in respect of one individual to the value of €924 was transferred to another Office in the year. The details listed above include a number of preserved pension cases. A number of additional recovery repayment plans have been put in place in the year to date.

## Note 6 Miscellaneous

### 6.1 Prison population

The estimated daily average number of prisoners in 2020 was 3,823 (2019: 3,971).

### 6.2 Compensation and legal costs

The account includes expenditure in relation to compensation and legal costs made to prisoners, staff and members of the public. The table below shows a breakdown of these costs.

	Number of cases	Legal costs paid by the Prison Service €000	Compensation awarded €000	Legal costs awarded €000	2020	2019
					Total €000	Total €000
<b>Claims by prison staff</b>						
Civil claims received for injuries while on duty and other issues involving prison staff	107	—	1,888	649	2,537	1,533
Claims through the Criminal Injuries Compensation Tribunal arising out of injuries received by prison staff	110	—	2,701	—	2,701	603
<b>Claims by prisoners</b>						
Claims arising out of injuries and other actions involving prisoners	445	—	2,131	1,013	3,144	1,073
<b>Claims by members of the public</b>	32	—	487	204	691	639
	<b>694</b>	<b>—</b>	<b>7,207</b>	<b>1,866</b>	<b>9,073</b>	<b>3,848</b>

Note At 31 December 2020, the State Claims Agency recorded 2,399 active claims as outstanding (2019: 2,099). Legal costs incurred by the Prison Service in relation to ten non-compensation cases amounted to €257,730 (2019: €258,128).

The outstanding claims recorded by the State Claims Agency include 1,855 cases relating to in-cell sanitation. Arising from a related Supreme Court judgement, the State Claims Agency has put in place a scheme to address these claims. The costs of any compensation awards from this scheme will be paid from the Prisons Vote. The amount of €3.144 million paid in compensation in the table above in respect of claims by prisoners includes €1.477 million in compensation and €542,000 in legal costs awarded in respect of in-cell sanitation cases settled in 2019 and 2020.



### 6.3 Prisoner funeral expenses

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Ex gratia payments totalling €14,025 were made towards the funeral expenses of four prisoners who died in prison.

### 6.4 Prompt payment of account interest

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The amount of prompt payment interest incurred by the Irish Prison Service in 2020 was €13,387 (2019: €4,900).

### 6.5 Other financial operations within the Irish Prison Service

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Separate to the expenditure reflected in the appropriation account, a number of other financial operations arise within the Irish Prison Service in order to carry out its functions. The operations in question relate to a bank account for prisoner personal funds, prison shops and a Prisoner Assist Programme fund and two bank accounts for prisoners' personal funds. The details are as follows:

- **Main prisoners' personal funds account** - A bank account is maintained centrally specifically for prisoners' personal funds and is managed by the Prisons Finance and Estates Directorate. As prisoners leave prison, they receive the balance of their personal funds from this account. The balance in the account at 31 December 2020 was €1,227,855 (2019: €1,135,291). This represents the accumulated prisoner balances at year end but also includes the total Prison Shop sales for December (typically over €600,000 approx.) that will be transferred, shortly after month end, to the appropriate prison shop bank accounts to facilitate payment to suppliers for December purchases.
- **Prisoner Funds account** - During 2020, a further bank account was in use for prisoners' personal funds. This account is also managed centrally by the Prisons Finance and Estates Directorate. This account allows prisoners' families to transfer funds by EFT or An Post card to their family member in prison. This was necessary arising from the Covid-19 pandemic and also removes some risk associated with cash handling. Similar to the process in place with the prisons, the funds received into this bank account are transferred on a weekly basis into the main prisoners' cash account (see above). The balance in the account at 31 December 2020 was €135,437 (2019: €nil).
- **Prison shops** - Each prison has an internal shop ('tuck shop') where prisoners can purchase small items such as sweets and soft drinks etc. The items are paid for from individual prisoners' personal funds. All procurement for the shop is done through the cash generated and is funded from sales to prisoners. Net surplus generated is transferred to the Prisoner Assist Programme Fund to assist prisoner hardship cases. The total of the bank account balances for the eleven prison shops at 31 December 2020 was €520,697 (2019: €741,815). The value of stock on hand was €343,436 (2019: €336,063).
- **Prisoner Assist Programme Fund (PAPF)** - Each prison operates a PAPF account to fund prisoner hardship projects. The funding for the account is not from voted funds but rather from the surpluses generated from the prison shop. The total of the bank account balances at 31 December 2020 was €1,411,300 (2019: €905,509). It is planned to phase out the PAPF in 2021.

Voluntary mess committees (VMCs) are currently operating in eight prisons to coordinate the administration of the operation of canteen facilities for prison staff provided through prisoner training kitchens. VMCs operate as separate and independent entities from the Irish Prison Service. Notwithstanding this, in 2020, the Irish Prison Service conducted a governance review of the existing VMC structures.

New written agreements have been put in place between each VMC and the Irish Prison Service. The new governance agreements require annual statements of assurance and annual financial accounts to be submitted by each VMC to the Irish Prison Service.