

Appropriation Account 2016

Vote 22

Courts Service

Introduction

As Accounting Officer for Vote 22, 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 2016 for such of the salaries and expenses of the Courts Service and of the Supreme Court, the Court of Appeal, the High Court, the Special Criminal Court, the Circuit Court and the District Court and of certain other minor services as are not charged to the Central Fund.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2016, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €1.08 million is liable for surrender to the Exchequer.

The Service is governed by a Board consisting of a chairperson and 17 other members. In accordance with the Courts Service Act, 1998 the term of office of the Board is three years. The current Board was established on 9 November 2014. The Board is responsible for determining policies for the Service and for overseeing their implementation. It performs these functions directly and through the committees of the Board.

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

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of Appropriation Accounts have been applied in the preparation of the Account except for the following:

Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life, starting in the month placed in service.

Buildings are depreciated at a rate of 2% per annum on a straight line basis.

Court buildings are valued upon vesting in the Courts Service. In prior years, land and buildings vested in the Courts Service were valued at market valuation, or in absence of a market valuation, at historic cost until a valuation was completed. In 2016, the Courts Service was advised that depreciated replacement cost is a more appropriate basis of valuation for public buildings in use. Depreciated replacement cost is the current cost of replacing the asset with its modern equivalent asset less deduction for physical deterioration and all relevant forms of obsolescence and optimisation. The effects of this change is outlined in note 2.2 capital assets. For land and buildings not in use but required for future development the basis of valuation is market value/fair value. In the absence of a valuation and where a building has been refurbished, such buildings are capitalised at cost, until such time that a valuation is carried out.

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 Courts Service. This responsibility is exercised in the context of the resources available to me and my other obligations as Chief Executive Officer. 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 control is a continuous process and the system and its effectiveness is kept under ongoing review.

Financial control environment

I confirm that a control environment including 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.

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 Courts 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.

The Courts Service 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 total sixteen supply arrangements were reported under Circular 40/02 in 2016 with a total value of €3,923,249. These are broken down as follows:

- a) Five contracts with a value of €357,706 were extended beyond the original contract date. A contract was put in place in February 2017 in relation to one item, with contracts for the remaining 4 items to be completed in 2017.
- b) Two contracts with a value of €1,686,934 in relation to certain services where the finalisation of tenders in the Office of Government Procurement and Office of Government Information Officer are awaited. A new contract will be in place in 2017 in relation to item number one, while we await the OGP commencing a new contract in relation to item number two.
- c) Two contracts with a value of €609,915 relate to extensions to existing contracts. As required under Circular 40/02, prior independent review was undertaken by Internal Audit for both items. The extensions were required to allow sufficient time for OGP frameworks to be put in place.
- d) Seven contracts with a value of €1,268,694 in relation to proprietary purchases, primarily relating to subscriptions, publications and ICT maintenance and licences.

Audit Committee

I confirm that the Courts Service has an Audit Committee. The Committee is a sub-committee of the Courts Service Board. The role of the Committee is to oversee, advise and support the Board and the Chief Executive Officer/Accounting Officer by reviewing the comprehensiveness of assurances on a range of matters including the integrity of internal financial controls. The Audit Committee operates under a written charter and reports annually to the Courts Service Board. It also reviews and approves the Internal Audit annual work programme.

Internal Audit

I confirm that the Courts Service has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which has been approved by the Audit Committee and by me. Its work is informed by analysis of the financial and operational risks to which the Service 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. 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.

Governance

Good governance is fundamental to the effective operation of the Service. During 2016 and in line with the Civil Service Corporate Governance Standard, the existing Corporate Governance Framework was updated. This sets out the statutory basis within which we operate, including the governance arrangements in place, functions and organisational structure, accountability, audit and assurance arrangements. This framework was published during 2016. The Courts Service also has a Performance Delivery Agreement in place with the Department of Justice and Equality.

The Code of Practice for the Governance of State Bodies 2016 came into effect in September 2016. The Courts Service has a robust governance framework in place and generally meets best practice and is compliant with the main features of the new code. The Courts Service has carried out a gap analysis to identify measures to enhance compliance, which will be introduced during 2017.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between the Courts Service and the Financial Shared Services Centre Killarney for the provision of financial shared services, and the National Shared Service Office for the provision of human resource services and payroll services.

I rely on a letter of assurance from the relevant Accounting Officers of those services that the appropriate controls are exercised in the provision of shared services to the Courts Service.

Brendan Ryan
Accounting Officer
Courts Service

31 March 2017

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 22 Courts Service

I have audited the appropriation account for Vote 22 Courts Service for the year ended 31 December 2016 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, and in accordance with standard accounting policies and principles for appropriation accounts.

Responsibility of the Accounting Officer

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration in the Court Service and for the regularity and propriety of all transactions in the appropriation account.

Responsibility of the Comptroller and Auditor General

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare each year, a report on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

Scope of audit

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

Opinion on the appropriation account

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 22 Courts Service for the year ended 31 December 2016.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, adequate accounting records have been kept by the Courts Service. The appropriation account is in agreement with the accounting records.

Non compliance with procurement rules

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

Seamus McCarthy
Comptroller and Auditor General

26 September 2017

Vote 22 Courts Service

Appropriation Account 2016

		2016		2015
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Manage the courts and support the judiciary			
	<i>Original</i>	109,672		
	<i>Supplementary</i>	<u>3,500</u>		
		113,172	112,365	107,112
	Gross expenditure	113,172	112,365	107,112
	<i>Deduct</i>			
B	Appropriations-in-aid			
	<i>Original</i>	46,003		
	<i>Supplementary</i>	<u>1,500</u>		
		47,503	47,780	48,097
	Net expenditure			
	<i>Original</i>	63,669		
	<i>Supplementary</i>	<u>2,000</u>		
		65,669	64,585	59,015

Surplus for surrender

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

	2016	2015
	€	€
Surplus to be surrendered	1,084,418	1,135,706

Analysis of administration expenditure			2016		2015
			Estimate provision €000	Outturn €000	Outturn €000
i	Salaries, wages and allowances				
	<i>Original</i>	50,226			
	<i>Supplementary</i>	(500)	49,726	48,998	48,907
ii	Travel and subsistence				
	<i>Original</i>	2,763			
	<i>Supplementary</i>	—	2,763	2,768	2,893
iii	Training and development and incidental expenses				
	<i>Original</i>	6,106			
	<i>Supplementary</i>	167	6,273	6,122	5,631
iv	Postal and telecommunications services				
	<i>Original</i>	2,291			
	<i>Supplementary</i>	109	2,400	2,053	2,680
v	Office equipment and external IT services				
	<i>Original</i>	6,067			
	<i>Supplementary</i>	2,848	8,915	9,749	7,032
vi	Office premises expenses				
	<i>Original</i>	15,076			
	<i>Supplementary</i>	(90)	14,986	15,283	15,003
vii	Consultancy services and value for money and policy reviews				
	<i>Original</i>	100			
	<i>Supplementary</i>	(34)	66	84	69
			85,129	85,057	82,215

Notes to the Appropriation Account

1 Operating Cost Statement 2016

	Note	2016	2015
		€000	€000
Programme cost		27,308	24,896
Pay		48,998	48,907
Non pay		36,059	33,309
Gross expenditure		112,365	107,112
<i>Deduct</i>			
Appropriations-in-aid		47,780	48,097
Net expenditure		64,585	59,015
 Changes in capital assets			
Purchases cash	(333)		
Depreciation	6,624		
		6,291	6,499
 Changes in assets under development			
Cash payments	(1,378)	(1,378)	(1,780)
 Changes in net current assets			
Decrease in closing accruals	(1,615)		
Increase in stock	(4)		
		(1,619)	1,045
Direct expenditure		67,879	64,779
 Expenditure borne elsewhere			
Net allied services expenditure	1.1	41,139	41,641
Notional rents		3,315	3,365
Net programme cost		112,333	109,785

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 22 borne elsewhere.

		2016	2015
		€000	€000
Vote:			
Vote 9 Office of the Revenue Commissioners	e	180	180
Vote 12 Superannuation and Retired Allowances	e	8,339	8,108
Vote 13 Office of Public Works	e	793	1,094
Vote 18 National Shared Services Office	e	107	78
Vote 20 Garda Síochána	e	161	178
Vote 24 Justice and Equality - Financial Shared Services Centre	e	268	293
Central Fund – Judicial salaries and pensions	e	31,291	31,710
		<u>41,139</u>	<u>41,641</u>

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

2 Balance Sheet as at 31 December 2016

	Note	2016 €000	2015 €000
Capital assets	2.2	193,129	211,828
Capital assets under development	2.3	<u>1,335</u>	<u>743</u>
		194,464	212,571
Current assets			
Bank and cash	2.4	1,631	1,557
Stocks	2.5	217	213
Prepayments		2,493	1,730
Accrued income		1,223	2,500
Other debit balances	2.6	<u>1,134</u>	<u>1,407</u>
Total current assets		6,698	7,407
Less current liabilities			
Accrued expenses		2,693	3,749
Other credit balances	2.7	2,749	2,827
Net liability to the Exchequer	2.8	<u>16</u>	<u>137</u>
Total current liabilities		5,458	6,713
Net current assets		1,240	694
Net assets		195,704	213,265
Represented by:			
State funding account	2.1	<u>195,704</u>	<u>213,265</u>

2.1 State Funding Account	Note	2016 €000	2015 €000
Balance at 1 January		213,265	219,030
Disbursements from the Vote			
Estimate provision	Account	65,669	
Surplus to be surrendered	Account	<u>(1,084)</u>	
Net vote		64,585	59,014
Expenditure (cash) borne elsewhere	1	41,139	41,641
Non cash			
– notional rent	1	3,315	3,365
– revaluations	2.2	(14,149)	—
– transfer of asset to local authority	2.2	(118)	—
Net programme cost	1	<u>(112,333)</u>	<u>(109,785)</u>
Balance at 31 December		195,704	213,265

2.2 Capital Assets

	Land and buildings €000	IT and office equipment €000	Furniture and fittings €000	Total €000
Gross assets				
Cost or valuation at 1 January 2016	252,096	41,266	32,343	325,705
Additions	57	2,015	120	2,192
Revaluations ^a	(17,065)	—	—	(17,065)
Transfer of asset to local authority	(150)	—	—	(150)
Disposals	—	(8)	—	(8)
Cost or valuation at 31 December 2016	234,938	43,273	32,463	310,674
Accumulated depreciation				
Opening balance at 1 January 2016	44,646	38,781	30,450	113,877
Depreciation for the year	4,769	1,054	801	6,624
Depreciation for Revaluation ^a	(2,916)	—	—	(2,916)
Depreciation for transfer of asset to Local Authority	(32)	—	—	(32)
Depreciation on disposals	—	(8)	—	(8)
Cumulative depreciation at 31 December 2016	46,467	39,827	31,251	117,545
Net assets at 31 December 2016	188,471	3,446	1,212	193,129
Net assets at 31 December 2015	207,450	2,485	1,893	211,828

Section 26 of the Courts Service Act 1998 provides for the transfer to the Courts Service of legal title in respect of certain land and buildings.

Included in land and buildings are four buildings in the following locations: - Ballinamora, Birr, Ballyhaunis and Swinford, with a total cost of €1.87 million. These buildings have been identified for disposal. One property in Borrisokane with a valuation of €150,000 was transferred in 2016 to Tipperary County Council.

There are currently fifteen courthouses awaiting valuation. Of these, Cork (Anglesea Street), Letterkenny, Limerick, Drogheda, Waterford, Mullingar, and Wexford, will be valued after the completion of the PPP projects. The remaining eight courthouses, Clonakilty - €152,567, Kanturk - €70,000, Macroom - €277,003, Mallow - €575,996, Midleton - €254,224, Youghal - €150,000, Galway - €3,868,016 and Birr - €100,000, have been valued. The valuations were confirmed in 2017 and will be added to the asset register in 2017.

In the absence of a valuation and where a building has been refurbished, such buildings are capitalised at cost, until such time that a valuation is carried out. The Courts Service engages the Valuation Office to carry out valuations on Court buildings.

^a In line with Courts Service policy, seven vested courthouses were revalued by the Valuation Office, namely; two premises in Clifden, Kilkenny, Nenagh, Tullamore, Cork (Washington Street), and Wicklow. The seven buildings were revalued from a total figure of €82.56 million down to €65.5 million.

2.3 Capital Assets under Development

	Construction projects €000	Computer applications €000	Total €000
Amounts brought forward at 1 January 2016	9	734	743
Cash payments for the year	—	1,378	1,378
Transferred to asset register	—	(786)	(786)
Balance at 31 December 2016	9	1,326	1,335

2.4 Bank and Cash	2016	2015
at 31 December	€000	€000

PMG balances and cash	812	586
Commercial bank accounts ^a	819	971
	<u>1,631</u>	<u>1,557</u>

^a Represents the Exchequer-related balances of the bank accounts held by the Courts Service at 31 December each year.

Not included is the account balance of €7.4 million (€7.9 million in 2015) which principally consists of non Exchequer funding relating to maintenance lodgements under family law, bail money lodgements and court poor box receipts.

Also, the Office of the Accountant of the Courts of Justice holds funds from the Companies Liquidation Account for seven years before they are due to be paid over to the Department of Finance. These funds are not included in the above. The 2016 receipts relate to funds lodged in 2009. The balance of these funds as at the 31 December 2016 is €2.3 million. The amounts transferred to the Exchequer in 2016 and 2015 are confirmed in Note 4.2.

2.5 Stocks	2016	2015
at 31 December	€000	€000

Stationery	183	138
Consumables	21	39
Miscellaneous	13	36
	<u>217</u>	<u>213</u>

2.6 Other Debit Balances	2016	2015
at 31 December	€000	€000

Advances to OPW	903	942
Payroll suspense account (Paypath)	—	211
Recoupment of salaries	43	85
Other debit suspense items	174	157
Imprests	14	12
	<u>1,134</u>	<u>1,407</u>

2.7 Other Credit Balances	2016	2015
at 31 December	€000	€000

Amounts due to the State		
Income Tax	995	1,013
Professional Services Withholding Tax	9	30
Value Added Tax	60	21
Pay Related Social Insurance	439	380
Funds for surrender to the Exchequer ^a	819	971
	<u>2,322</u>	<u>2,415</u>
Payroll deductions held in suspense	426	411
Other credit suspense items	1	1
	<u>2,749</u>	<u>2,827</u>

^a This balance relates to forfeited bail and other funds held by the Courts Service that will, subject to determination of the courts, be surrendered to the Exchequer in due course.

2.8 Net Liability to the Exchequer	2016	2015
At 31 December	€000	€000

Surplus to be surrendered	1,084	1,136
Exchequer grant undrawn	(1,068)	(999)
Net liability to the Exchequer	16	137

Represented by:

Debtors

Bank and cash	1,631	1,557
Debit balances: suspense	1,134	1,407
	2,765	2,964

Creditors

Due to State	(2,322)	(2,415)
Credit balances: suspense	(427)	(412)
	(2,749)	(2,827)

	16	137
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2.9 Commitments	2016	2015
at 31 December	€000	€000

a) Global Commitments

Procurement of goods and services		
A.2 (v) ICT	1,699	3,719
A.2 (vi) Leases	21,035	26,115
Refurbishment loan for Washington Street Courthouse ^a	14,587	16,998
PPP	278,439	284,381
Total of legally enforceable commitments	315,760	331,213

^a The principal (capital) element of this loan outstanding at year end, amounting to €11,995,000 (2015: €13,643,000) is disclosed under note 2.9(b) –multi-annual capital commitments. The balance of the commitment relates to interest.

(b) Multi-annual capital commitments

	Cumulative expenditure to 31 December 2015	Expenditure in 2016	Project commitments in subsequent years	Expected total spend lifetime of project 2016	Expected total spend lifetime of project 2015
Project	€000	€000	€000	€000	€000
Refurbishment loan for Washington Street courthouse	11,357	1,688	11,955	25,000	25,000

(c) Capital cost of Public Private Partnership project

	Cumulative expenditure to 31 December 2015	Expenditure in 2016	Legally enforceable commitments to be met in subsequent years	Project total 2016	Project total 2015
	€000	€000	€000	€000	€000
Criminal Courts Complex	42,610	5,942	128,545	177,097	177,097
PPP bundle ^a	—	—	149,894	149,894	149,894

^a In July 2012, the Government announced an investment package which includes seven courthouse projects, as follows: Wexford, Mullingar, Waterford, Limerick, Cork, Letterkenny and Drogheda. The Courts Service entered into a contract with the preferred bidder in December 2015. The PPP projects are on schedule to be completed in full in early 2018.

2.10 Matured Liabilities

There were no matured liabilities undischarged at year end, or in the previous year.

3 Programme Expenditure by Subhead

			Estimate provision €000	2016 Outturn €000	2015 Outturn €000
A	Manage the Courts and Support the Judiciary				
A.1	Administration - pay				
		<i>Original</i>	50,226		
		<i>Supplementary</i>	(500)	49,726	48,998
					48,907
A.2	Administration - non pay				
		<i>Original</i>	32,403		
		<i>Supplementary</i>	3,000	35,403	36,059
					33,309
A.3	Courthouse (capital works)				
		<i>Original</i>	4,880		
		<i>Supplementary</i>	(157)	4,723	4,223
					4,602
A.4	PPP costs				
		<i>Original</i>	22,163		
		<i>Supplementary</i>	1,157	23,320	23,085
					20,294
				113,172	112,365
					107,112

Significant variations

Overall, the gross expenditure in relation to the programme was €0.81 million less than provided. This was mainly due to the following.

Description	Less/(more) than provided €000	Explanation
Administration – pay	1,228	<p>The underspend relates to the delay in the filling of posts primarily from outside panels particularly at clerical and executive officer level, in addition to savings as a result of the replacement of some staff at the top of their pay scale with staff lower down the pay scale.</p> <p>The original estimate of €50.23 million was reduced by a virement of €0.5 million to €49.73 million, in order to maximise the non-pay current budget. There was an underspend of €0.73 million against the revised budget at the end of the year. This underspend was as a result of the delay in the filling of posts. The final outturn of €49 million is 1.5% less than the final allocation.</p>

Description	Less/(more) than provided	Explanation
	€000	
Administration – non pay	(3,656)	<p data-bbox="810 432 1422 656">The overspend against the original allocation is primarily due an overspend on ICT of €3.29 million due to the necessary expenditure for the maintenance and support of the Courts Service ICT infrastructure. The original estimate of €32.4 million was increased by way of supplementary estimate by €3 million. This funding was provided by €0.5 million from payroll and €1.5 million from excess fee Income and €1 million by way of supplementary estimate.</p> <p data-bbox="810 689 1422 772">There was an overspend of €0.66 million against the revised budget at the end of the year. This overspend was made up of a combination of overspends and underspends, as follows:</p> <p data-bbox="810 806 933 833">Overspends:</p> <ul data-bbox="810 866 1422 1209" style="list-style-type: none"> - ICT (€0.79 million) due to the timing of payments in relation to the managed services in addition to a refresh of Digital Audio Recording (DAR) and video conferencing equipment in a number of courthouses. - Leases (€0.35 million) as a result of the prepayment of a small number of leases at year end. - Courthouse maintenance (€0.12 million) due to a number of projects that were required to be completed during the year including Green Street, the Children's Court and Naas courthouse. <p data-bbox="810 1243 944 1270">Underspends:</p> <ul data-bbox="810 1303 1422 1444" style="list-style-type: none"> - DAR (€0.33 million) due to savings from a new contract and the reclassification of expenditure of storage from current to capital. - Telecoms (€0.25 million) due to the introduction of Wide Area Network to all areas. <p data-bbox="810 1478 1422 1534">The final outturn of €36.06 million is 1.9% higher than the final allocation.</p>
Courthouses (capital works)	657	<p data-bbox="810 1630 1422 1736">The underspend against the original allocation is due to the delay in the purchase of sites as planned for 2016. The original estimate of €4.88 million was reduced by a virement of €0.16 million.</p> <p data-bbox="810 1769 1422 1881">There was an underspend of €0.5 million against the revised budget at the end of the year. This underspend is due to the delay in the purchase of sites as planned for 2016. The final outturn of €4.22 million was 10.6% less than the final allocation.</p>

Description	Less/(more) than provided	Explanation
	€000	
PPP costs	(922)	<p>The overspend against the original allocation is due to the part payment of the final invoice in 2016. The original estimate of €22.16 million was increased by a virement of €1.16 million. This increased funding was provided by €1 million by way of supplementary estimate and €0.16 million from capital works by way of virement.</p> <p>There was an underspend of €0.24 million against the revised budget at the end of the year. This underspend is due to the payment of the final invoice in 2016 which was less than initially estimated. The final outturn of €23.09 million was 1% less than the final allocation.</p>

4 Receipts

4.1 Appropriations-in-aid

			Estimated	2016 Realised	2015 Realised
			€000	€000	€000
1.	Fees	<i>Original</i> 42,693			
		<i>Supplementary</i> 1,500	44,193	44,336	44,136
2.	Miscellaneous		1,442	1,497	1,288
3.	Receipts from pension-related deduction on public service remuneration		1,868	1,947	2,673
Total			<u>47,503</u>	<u>47,780</u>	<u>48,097</u>

4.2 Extra receipts payable to the Exchequer

	2016		2015
	Estimated €000	Realised €000	Realised €000
Balance at 1 January	—	—	—
Road Traffic Act fines ^a	7,032	5,606	6,734
Other fines ^a	4,000	3,308	4,217
Other receipts ^b	—	425	94
Total transferred to Exchequer	<u>(11,032)</u>	<u>(9,339)</u>	<u>(11,045)</u>
Balance at 31 December	<u>—</u>	<u>—</u>	<u>—</u>

^a The reduction in fines receipts is primarily due to the transition to the Fines (Payment and Recovery) Act 2014, which commenced on 11 January 2016, and the delay in the introduction of enforcement proceedings under the Act.

^b The Office of the Accountant of the Courts of Justice holds funds from the Companies Liquidation Account for seven years before they are due to be paid over to the Department of Finance. The 2016 receipts relate to funds lodged in 2009. The balance of these funds as at the 31 December 2016 is €2.3 million.

4.3 Fines and fees collected on behalf of other Departments

Direct payments were made to the following government departments / agencies in respect of fines and fees collected by the Court Service on their behalf in 2016.

	2016	2015
	€000	€000
Balance at 1 January	—	—
Revenue Commissioners		
Revenue fines ^a	1,421	1,633
Excise Duty ^b	4,935	5,033
Department of Communications, Energy and Natural Resources	19	25
Department of Agriculture, Food and the Marine	187	775
Total transferred	(6,562)	(7,466)
Balance at 31 December	—	—

^a Moneys collected relate to court fines imposed where the prosecutor is the Revenue Commissioners.

^b Moneys collected relate to fees for certain licensing applications such as extension of opening hours and special exemption orders which are received by the Court Service on behalf of the Revenue Commissioners.

5 Employee Numbers and Pay

	2016	2015
Number of staff at year end (full time equivalents)	976	948
	2016	2015
	€000	€000
Pay	44,865	44,938
Higher, special or additional duties allowance	59	39
Other allowances	974	1,000
Overtime	283	274
Employer's PRSI	2,819	2,656
Total pay	49,000	48,907

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2016 €	Maximum individual payment 2015 €
Higher, special or additional duties	31	—	8,658	7,041
Other allowances	270	14	19,961	19,585
Overtime	169	7	22,323	18,164
Extra remuneration in more than one category	69	13	24,476	22,715

5.2 Other Remuneration Arrangements

A total of €31,768 was paid in 2016 to two retired civil servants in receipt of civil service pensions who were engaged for short periods during 2015 and 2016. This amount is made up of €14,110 payroll and €17,658 travel and subsistence. The pension abatement rule was applied in accordance with section 52 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

5.3 Recouped Costs

Salary costs of €275,941 were recouped from tribunals and government departments in respect of staff on secondment.

5.4 Salary Overpayments

Overpayments at the year end were €92,818 (76 cases) (2015: €42,622, with 37 cases). Of this, €32,982 (15 employees) have recovery plans in place.

6 Miscellaneous

6.1 Legal costs

					2016	2015
	Number of cases	Compensation awarded	Legal costs awarded and paid	Legal costs paid by the Courts Service	Total	Total
		€000	€000	€000	€000	€000
Claims by members of the public	56	175	181	246	602	304
		175	181	246	602	304

Total payments in respect of third-party legal costs and compensation costs amounted to €356,551. These included costs associated with judicial review proceedings where the Courts Service was a party to such proceedings, and payments in respect of actions dealt with by the State Claims Agency amounting to €35,792.

6.2 Arbitration and Conciliation Costs

Expenditure in 2016 includes payments of €15,188 (2015: €1,402) made to contractors and others to cover costs as a result of conciliation and arbitration proceedings. There was one case in 2016 (2015: one). Figures include VAT, legal, engineering consultants and resolver fees.

6.3 Write-Offs and Provisions

During 2016, Vote 22 wrote off €1,871 in relation to administrative errors (2015: €53,000).