

Appropriation Account 2022

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 2022 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 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 2022, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- provided for capital supply services in 2022 out of unspent 2021 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €3.404 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 2020. 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, as set out by the Department of Public Expenditure, National Development Plan Delivery and Reform in circular 22 of 2022, have been applied in the preparation of the account except for the following.

Valuation of land and buildings

Buildings are valued every five years on the basis of depreciated replacement cost. This 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. Land and buildings not in use but required for future development are valued at market value.

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 controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

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

I rely on letters of assurance from the Accounting Officers for the National Shared Services Office and from the Financial Shared Service Centre, Killarney that the appropriate controls are exercised in the provision of shared services to the Courts Service.

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.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.
- There is an Audit and Risk Committee to advise me in discharging my responsibilities for the internal financial control system.

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.

Audit and Risk Committee

The Courts Service has an Audit and Risk Committee which 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 assurances on a range of matters including the integrity of internal financial controls, risk management and financial statements. The Committee operates under a written charter and reports to the Courts Service Board. It also reviews and approves the internal audit annual work programme.

Finance Committee

The Courts Service has a Finance Committee which is a sub-committee of the Courts Service Board. The role of the Committee is to provide oversight and scrutiny on financial matters of the Courts Service on behalf of the Board. The Committee is authorised by the Board to investigate any activity within its terms of reference and carry out prescribed duties on behalf of the Board and the Accounting Officer as appropriate. These include the approval and monitoring of the annual budget, approval of contracts above specified thresholds, value for money and financial risks. The Committee is also responsible for reviewing the annual appropriation account.

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 Courts Service Board. 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 and Risk Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Procurement

I confirm that 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.

The Courts Service has provided details of 13 non-competitive contracts in the annual return in respect of circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure, National Development Plan Delivery and Reform.

Non-compliance with procurement rules

The Courts Service complied with the guidelines with the exception of 13 contracts (in excess of €25,000), totalling €2,521,736 (exclusive of VAT), as set out below:

- One contract with a value of €1,568,773 relating to interpretation services. This contract could not be re-tendered as the OGP framework is subject to legal challenges.
- Two instances with a value of €544,676 for services relating to the Fines (Payment and Recovery) Act 2014, beyond the expiry of the original contract. The Courts Service is going to tender in 2023 for these services.

- Two contracts with a value of €91,492 relating to the provisions of legal advice and the provision of drafting and legal services to Court Rules. Tender documents are drafted and ready to be published.
- One instance with a value of €79,175 for costs of telephony services. Possible procurement solutions are being investigated in 2023.
- Two instances with a value of €65,666 for services relating to psychological /psychiatric reports and the provision of intermediary services. The demand for these services has increased and a procurement is scheduled for 2023 with a panel/ register of court intermediaries to be established respectively.
- Three instances with a value of €113,166 for a range of services such as graphic design work, franking machines, and file covers. Requirements for these services are being reviewed with a view to carrying out procurements where necessary.
- One instance with a value of €30,807 in relation to costs of judicial accommodation. The requirement for this service is being reviewed.
- One instance with a value of €27,981 being costs for the provision of security / footfall management for the Western Region during Covid-19 restrictions. This service is no longer required.

The above contracts have been included in the 40/2002 annual return referenced above.

Governance

Good governance is fundamental to the effective operation of the Service. The Courts Service's *Corporate Governance Framework* sets out the statutory basis within which we operate, including the governance arrangements in place, functions and organisational structure, accountability and audit assurance arrangements. This framework was published in 2016 and updated in February 2023. The Courts Service also has an oversight agreement in place with the Department of Justice.

The *Governance Framework* reflects and is developed in the context of the Courts Service legislative framework under the Courts Service Act, 1998, in addition to the *Code of Practice for the Governance of State Bodies*, developments in the *Civil Service Renewal Plan* and the *Civil Service Code of Standards and Behaviour*.

Risk and control framework

The 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 corporate risk register is in place which identifies the key risks facing the Service. These are evaluated and graded according to their significance. The corporate risk register is reviewed quarterly by the Senior Management Team (SMT) and Audit and Risk Committee. Risk management is a standing item for the Courts Service Board and the Chief Risk Officer reports to the Board on the operations of risk management. 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 planned actions needed to mitigate identified risks and assigns responsibility for operation of controls 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 SMT, where relevant, on a timely basis. 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 Service has procedures to monitor the effectiveness of its risk management and control procedures. The 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 Service responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

No weakness in internal financial control were identified in relation to 2022 that require disclosure in the appropriation account, or that resulted in, or may result in a material loss.

The Service continually reviews and implemented recommendations arising from the Comptroller and Auditor General and internal audit to strengthen the control environment, particularly in the areas of procurement and contract management, record management and ICT security and infrastructure. This is a continuous process and the system and its effectiveness is kept under ongoing review.

Covid-19 control issues

The changes to the working and control environment with remote and virtual working that came about in 2020 as a result of the impact of the Covid-19 pandemic continued through 2021 and 2022. It is expected that the new hybrid working environment, which has been established, will continue to operate post pandemic. During 2022 and into 2023 these practices have become part of the standard ways of working.

The Covid-19 Response Management Team, which was established to develop and maintain the Covid-19 safety management programme, continued to manage the programme in line with the latest HSE and government advice during 2022. The team communicated the transition protocol and updated the relevant guidance and signage for the safety of all staff and all Court users. A risk assessment of the Courts Service buildings and its operations was conducted and some measures such as plexiglas screens were retained to continue to prevent the spread of infection.

In 2022 a total of €1.7 million was incurred on Covid-19 related expenditure (€4.3 million in 2021). This expenditure related primarily to people management and leases.

Angela Denning
Accounting Officer
Courts Service

30 March 2023

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 22 Courts Service

Opinion on the appropriation account

I have audited the appropriation account for Vote 22 Courts Service for the year ended 31 December 2022 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 22 Courts Service for the year ended 31 December 2022, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, National Development Plan Delivery and Reform.

Basis of opinion

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

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

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

Non-compliance with procurement rules

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with procurement rules occurred in respect of contracts that operated in 2022.

Seamus McCarthy

Comptroller and Auditor General

21 September 2023

Appendix to the report

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

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

Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

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

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

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

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

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

I report by exception if, in my opinion,

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

Reporting on the statement on internal financial control

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

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

Reporting on other matters

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

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

Vote 22 Courts Service

Appropriation Account 2022

		2022		2021
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Manage the courts and support the judiciary			
	<i>Original</i>	163,966		
	<i>Deferred surrender</i>	3,648		
	<i>Supplementary</i>	1,501		
			169,115	163,564
				154,092
	Gross expenditure	169,115	163,564	154,092
	<i>Deduct</i>			
B	Appropriations-in-aid			
	<i>Original</i>	34,633		
	<i>Supplementary</i>	1,500		
			36,133	35,836
				27,011
	Net expenditure			
	<i>Original</i>	129,333		
	<i>Deferred surrender</i>	3,648		
	<i>Supplementary</i>	1		
		132,982	127,728	127,081

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 spend in the following year. €1.85 million of unspent allocations in respect of the capital elements of subheads A.2 and A.4 was carried forward to 2023.

	2022	2021
	€	€
Surplus	5,254,040	4,695,710
Deferred surrender	(1,850,000)	(3,648,000)
Surplus to be surrendered	3,404,040	1,047,710

Angela Denning
Accounting Officer
Courts Service

30 March 2023

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2022

		2022	2021
	€000	€000	€000
Programme cost		43,853	43,014
Pay		62,952	59,425
Non pay		56,759	51,653
Gross expenditure		163,564	154,092
<i>Deduct</i>			
Appropriations-in-aid		35,836	27,011
Net expenditure		127,728	127,081
Changes in capital assets			
Purchases cash	(7,341)		
Depreciation	11,926		
Loss on disposals	896	5,481	3,521
Changes in net current assets			
Decrease in closing accruals	(383)		
Increase in inventories	(44)	(427)	1,424
Direct expenditure		132,782	132,026
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		34,016	33,860
Notional rents ^a		3,605	3,605
Net programme cost		170,403	169,491

Note ^a Notional rents for Office of Public Works (OPW) owned buildings occupied by the Courts Service.

1.1 Net allied services expenditure

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

		2022	2021
		€000	€000
Vote 9	Office of the Revenue Commissioners	270	207
Vote 12	Superannuation and Retired Allowances	20,263	17,330
Vote 13	Office of Public Works	721	1,366
Vote 18	National Shared Services Office	132	120
Vote 20	Garda Síochána	224	149
Vote 24	Justice – Financial Shared Services Centre	341	332
Central Fund – judicial salaries and pensions		12,065	14,356
		34,016	33,860

Note 2 Statement of Financial Position as at 31 December 2022

	Note	2022 €000	2021 €000
Capital assets	2.1	351,471	344,385
Current assets			
Bank and cash	2.2	3,802	4,777
Inventories	2.3	488	444
Prepayments	2.4	3,212	3,229
Accrued income	2.5	875	1,054
Other debit balances	2.6	2,726	3,015
Total current assets		11,103	12,519
Less current liabilities			
Accrued expenses	2.7	2,245	2,954
Other credit balances	2.8	4,820	3,950
Net Exchequer funding	2.9	1,708	3,840
Total current liabilities		8,773	10,744
Net current assets		2,330	1,775
Net assets		353,801	346,160
Represented by:			
State funding account	2.10	353,801	346,160

2.1 Capital assets

	Land and buildings ^{a, b}	IT and office equipment	Furniture and fittings	Cap de
	€000	€000	€000	
Gross assets				
Cost or valuation at 1 January 2022	405,160	60,691	31,553	
Additions	1,836	983	—	
Revaluations	17,197	—	—	
Brought into use	1,704	1,661	—	
Disposals	(1,322)	—	(645)	
Cost or valuation at 31 December 2022	424,575	63,335	30,908	
Accumulated depreciation				
Opening balance at 1 January 2022	74,916	51,525	31,006	
Depreciation for the year	8,097	3,701	128	
Depreciation on revaluations	4,499	—	—	
Depreciation on disposals	(431)	—	(640)	
Cumulative depreciation at 31 December 2022	87,081	55,226	30,494	
Net assets at 31 December 2022	337,494	8,109	414	
Net assets at 31 December 2021	330,244	9,166	547	

Notes

- ^a Section 26 of the Courts Service Act 1998 provides for the transfer to the Courts Service of legal title in respect of the buildings and sites owned by the Department of Justice.
- ^b The Courts Service currently owns 44 buildings and five sites. All buildings have been valued and are reflected in the table above. Of the 49 buildings/sites, 35 have valuations dating within the past five years with 14 having been revalued in the last year. Of the 14, 12 are scheduled to be revalued in 2023 with the remaining two to be transferred to local authorities.

2.2 Bank and cash

at 31 December	2022	2021
	€000	€000
PMG balances and cash	1,993	2,812
Commercial bank account balance ^a	1,809	1,965
	3,802	4,777

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

A separate sum of €10.935 million (2021: €11.533 million) is not included in the account balance. This principally consists of non-Exchequer funding relating to lodgements of maintenance payments under family law, bail money lodgements and court poor box receipts.

2.3 Inventories

at 31 December	2022	2021
	€000	€000
Stationery	134	136
IT consumables	342	283
Miscellaneous	12	25
	488	444

2.4 Prepayments

at 31 December	2022	2021
	€000	€000
A.2 Administration – non pay	2,674	2,691
A.3 Courthouse (capital works)	538	538
	3,212	3,229

2.5 Accrued income

at 31 December	2022	2021
	€000	€000
Fees	873	1,027
Miscellaneous	2	27
	875	1,054

2.6 Other debit balances

at 31 December	2022	2021
	€000	€000
Advances to OPW	2,504	2,393
Recoupment of salaries	48	190
Other debit suspense items	138	393
Imprests	36	39
	2,726	3,015

2.7 Accrued expenses

at 31 December	2022	2021
	€000	€000
A.2 Administration – non pay	2,235	2,639
A.3 Courthouse (capital works)	10	—
A.4 PPP costs	—	315
	2,245	2,954

2.8 Other credit balances

at 31 December	2022	2021
	€000	€000
Amounts due to the State		
Income tax	996	866
Professional services withholding tax	200	139
Value added tax	95	60
Pay related social insurance	603	506
Fines	836	111
Funds for surrender to the Exchequer ^a	1,809	1,965
	4,539	3,647
Payroll deductions held in suspense	280	298
Other credit suspense items	1	5
	4,820	3,950

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

2.9 Net Exchequer funding

at 31 December	2022	2021
	€000	€000
Surplus to be surrendered	3,404	1,048
Deferred surrender	1,850	3,648
Exchequer grant undrawn	(3,546)	(855)
Net Exchequer funding	1,708	3,841

Represented by:

Debtors

Bank and cash	3,802	4,777
Debit balances: suspense	2,726	3,014
	6,528	7,791

Creditors

Due to the State	(4,539)	(3,647)
Credit balances: suspense	(281)	(303)
	(4,820)	(3,950)
	1,708	3,841

2.10 State funding account

	Note	2022	2021
		€000	€000
Balance at 1 January		346,160	207,871
Disbursements from the Vote			
Estimate provision	Account	132,982	
Surplus to be surrendered	Account	(3,404)	
Deferred surrender	Account	(1,850)	
Net vote		127,728	127,081
Expenditure (cash) borne elsewhere	1.1	34,016	33,860
Non cash			
Notional rent	1	3,605	3,605
Non-cash items		(3)	3
Revaluations	2.1	12,698	143,231
Net programme cost	1	(170,403)	(169,491)
Balance at 31 December		353,801	346,160

2.11 Commitments

a) Global commitments	2022	2021
at 31 December	€000	€000
Procurement of goods and services		
Other goods and services ^a	23,361	12,379
ICT	46,107	47,822
Leases	26,722	31,498
Refurbishment of Roscommon Temporary courthouse	1,068	—
Refurbishment of Washington St courthouse ^b	4,021	5,622
Public private partnership projects	608,672	629,788
Total of legally enforceable commitments	709,951	727,109

Notes ^a The increase in other goods and commitments in 2022 is due to the Service entering into 12 new contracts which included cleaning, electricity, and courier services amongst others.

^b This commitment relates to repayments due to Cork City Council in respect of a loan taken out by the Council to fund the refurbishment of the courthouse at Washington Street, Cork. The principal (capital) element of this loan outstanding at year end, amounting to €3.675 million (2021: €5.055 million) is disclosed under note 2.11(b) – multi-annual capital commitments. The balance of the commitment relates to interest.

b) Multi-annual capital commitments

Project	Cumulative expenditure to 31 December 2021	Expenditure in 2022	Project commitments in subsequent years	Expected total spend lifetime of project 2022	Expected total spend lifetime of project 2021
	€000	€000	€000	€000	€000
Refurbishment of Cork Courthouse	19,945	1,380	3,675	25,000	25,000
	19,945	1,380	3,675	25,000	25,000

c) Capital cost of public private partnership project

Projects	Cumulative expenditure to 31 December 2021	Expenditure in 2022	Legally enforceable commitments to be met in subsequent years	Project total 2022	Project total 2021
	€000	€000	€000	€000	€000
Criminal Courts Complex	277,716	22,277	298,254	598,247	588,709
PPP bundle	85,883	14,739	310,418	411,040	404,679
	363,599	37,016	608,672	1,009,287	993,388

Significant variations

An explanation is provided below where multi-annual commitments changed by more than €500,000 from 2021 to 2022.

Criminal Courts Complex

Increase in projected total spend: €9.538 million

The main movement in the project's total costs is due to the update of inflation for the current year, which also impacts future years.

PPP Bundle

Increase in projected total spend: €6.361 million

The main movement in the project's total costs is due to the update of inflation for the current year, which also impacts future years.

2.12 Matured liabilities

There were no matured liabilities not discharged at year end (2021: nil).

Note 3 Vote Expenditure

Analysis of administration expenditure

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

		2022		2021
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances		63,316	62,952
ii	Travel and subsistence			59,425
	<i>Original</i>	3,013		
	<i>Supplementary</i>	<u>182</u>		
			3,195	3,027
iii	Training and development and incidental expenses			2,433
	<i>Original</i>	11,541		
	<i>Supplementary</i>	<u>2,272</u>		
			13,813	13,493
iv	Postal and telecommunications services		3,353	3,451
v	Office equipment and external IT services			3,408
	<i>Original</i>	16,192		
	<i>Deferred surrender</i>	750		
	<i>Supplementary</i>	<u>1,607</u>		
			18,549	18,850
vi	Office premises expenses			15,195
	<i>Original</i>	22,076		
	<i>Supplementary</i>	<u>(1,140)</u>		
			20,936	17,806
vii	Consultancy services and value for money and policy reviews			18,436
	<i>Original</i>	100		
	<i>Supplementary</i>	<u>152</u>		
			252	132
		123,414	119,711	111,078

Programme A Manage the Courts and Support the Judiciary

		2022		2021
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay		62,952	59,425
A.2	Administration – non pay			
	<i>Original</i>	56,275		
	<i>Deferred surrender</i>	750		
	<i>Supplementary</i>	3,073		
			56,759	51,653
A.3	Courthouse (capital works)			
	<i>Estimate provision</i>	5,635		
	<i>Deferred surrender</i>	2,898		
			6,837	6,058
A.4	PPP costs			
	<i>Original</i>	38,740		
	<i>Supplementary</i>	(1,572)		
			37,016	36,956
		37,168	37,016	36,956
		169,115	163,564	154,092

Significant variations

The following outlines the reasons for significant variations in programme expenditure (+/- 5% and €100,000).

A.3 Courthouse (capital works)

Estimate provision €8.533 million; outturn €6.837 million

The underspend of €1.696 million relative to the estimate provision was due to the delay in the completion of courthouse projects scheduled for 2022 in addition to the timing of payments regarding site purchases in Tralee.

A.4 PPP costs

Estimate provision €38.74 million; outturn €37.016 million

The underspend of €1.724 million was due to the funding requirements provided by the NDFA funding model for the Criminal Courts of Justice being in excess of what was required in 2023.

The estimate provision was in excess of what was required, and the surplus was used to meet budgetary commitments in other subheads.

Note 4 Receipts

4.1 Appropriations-in-aid

		2022		2021
		Estimated	Realised	Realised
		€000	€000	€000
1	Fees			
	Original	31,693		
	Supplementary	2,400		
			34,093	24,770
2	Miscellaneous			
	Original	1,442		
	Supplementary	(900)		
			542	658
3	Receipts from additional superannuation contributions on public service remuneration		1,498	1,583
	Total		36,133	27,011

Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000). Overall, appropriations-in-aid were €1.203 million (3%) higher than the estimate.

1 Fees

Estimate €31.693 million; realised €33.476 million

2022 fee income was higher than the original estimate by €1.783 million (6%) due to the lifting of level 5 Covid restrictions in the second quarter of 2022.

2 Miscellaneous

Estimate €1.442 million; realised €694,000

2022 miscellaneous receipts were lower than the original estimate by €748,000 (52%) due a decrease in net receipts from the General Solicitor's Office. The net receipts comprise fees charged to wards of court less expenses incurred in managing the service. In 2022 the volume of work for wards with no funds to meet the fees increased, resulting in lower net receipts.

3 Receipts from additional superannuation contributions on public service remuneration

Estimate: €1.498 million, realised: €1.666 million

2022 receipts were higher than the original estimate by €168,000 (11%), due to the difficulty in forecasting staff movement, including age related retirements, early retirements, and the recruitment of staff to fill a number of these vacancies.

4.2 Extra receipts payable to the Exchequer

	2022	2021
	€000	€000
Balance at 1 January	—	—
Road Traffic Act fines ^a	5,593	3,958
Other fines ^a	3,783	3,159
Refunds ^b	(26)	(10)
Other receipts ^c	691	145
Transferred to the Exchequer	(10,041)	(7,252)
Balance at 31 December	—	—

Notes ^a The increase in Road Traffic Act fines and other fines receipts is due to the increase in court cases following the ending of Covid restrictions

^b Refunds relates to refunds of fines due to successful appeals

^c 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 2022 receipts relate to funds lodged in 2015, when there were two large lodgements for two separate companies amounting to approx. €600,000, being the reason for the high value payment in 2022. The balance of these funds as at the 31 December 2021 is €5.451 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 2022.

	2022 €000	2021 €000
Balance at 1 January	—	—
Revenue Commissioners		
Revenue fines ^a	556	456
Excise duty ^b	2,380	—
Department of Environment, Climate and Communications	29	23
Department of Agriculture, Food and the Marine ^c	—	171
Total transferred	(2,965)	(650)
Balance at 31 December	—	—

- Notes
- ^a Monies collected relate to court fines imposed where the prosecutor is the Revenue Commissioners.
 - ^b Monies collected relate to fees for certain licensing applications such as extension of opening hours and special exemption orders which are received by the Courts Service on behalf of the Revenue Commissioners. There was no excise duty collected in 2021 due to the Government Covid restrictions in place which closed pubs and nightclubs, resulting in no licensing applications being lodged in 2021. As the Government Covid restrictions eased in early 2022, and licensing applications increased, payments to Revenue for excise duty were reintroduced.
 - ^c The large value of fines for the Department of Agriculture, Food and the Marine in 2021 was due to a number of high value Circuit Court fines received in 2021.

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2022	2021
Number of staff at year end	<u>1,224</u>	<u>1,120</u>

5.2 Pay

	2022	2021
	€000	€000
Pay	56,771	53,767
Higher, special or additional duties allowances	315	313
Other allowances	809	797
Overtime	311	237
Employer's PRSI	4,746	4,311
Total pay	<u>62,952</u>	<u>59,425</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2022	2021
			€	€
Higher, special or additional duties allowances	98	7	25,868	16,273
Other allowances	195	15	22,782	22,171
Overtime	142	8	31,589	22,227
Extra remuneration in more than one category	75	15	35,555	26,672

5.4 Courts Service staffing by pay band

The number of Court Service employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2022	2021
20,000	59,999	866	886
60,000	69,999	65	57
70,000	79,999	61	60
80,000	89,999	41	42
90,000	99,999	36	16
100,000	109,999	14	10
110,000	119,999	5	6
120,000	129,999	1	1
130,000	139,999	3	4
140,000	149,999	1	13
150,000	159,999	12	3
160,000	169,999	4	2
170,000	179,999	1	1
200,000	209,999	—	1
210,000	219,999	1	—

5.5 Other remuneration arrangements

Salary costs of €66,358 were recouped from tribunals and government departments in respect of staff on secondment. There is no recoupment outstanding for 2022.

5.6 Salary overpayments

at 31 December	Number of recipients	2022 €	2021 €
Overpayments	120	260,298	241,315
Recovery plans in place	20	49,711	42,256

There were seven new cases of overpayments in 2022, with a value of €4,666. Included in the 120 overpayments for 2022 is 49 cases with a total value of €70,034, where the overpayment has been fully recouped and marked complete.

5.7 Remuneration and benefits of Accounting Officer

The Accounting Officer's remuneration and taxable benefits for the financial year was as follows:

	2022 €000	2021 €000
Basic pay	<u>212</u>	<u>200</u>

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the post 1995 superannuation scheme for established civil servants and her entitlements to retirement benefits do not extend beyond the standard terms of that scheme.

Note 6 Miscellaneous

6.1 Compensation and legal costs

Payments/costs paid by the Court Service in the year

	Claims by				Total 2022	Total 2021
	employees		members of the public			
	Slips, trips and falls	Other	Slips, trips and falls	Other		
Number of cases	1	6	3	36	46	36
	€000	€000	€000	€000	€000	€000
Court Service's own legal costs	—	122	—	111	233	95
Payments by/on behalf of the Courts Service						
Compensation	—	—	—	71	71	198
Legal costs	1	11	57	391	460	229
Other costs	—	—	—	—	—	—
2022 Total	1	133	57	573	764	522
2021 Total	11	9	102	400	522	

Cumulative costs of cases completed in 2022

	Claims by				Total
	employees		members of the public		
	Slips, trips and falls	Other	Slips, trips and falls	Other	
Number of cases	—	3	—	14	17
	€000	€000	€000	€000	€000
Court Service's own legal costs	—	95	—	33	128
Payments by/on behalf of the Courts Service					
Compensation	—	9	—	—	9
Legal costs	—	—	—	210	210
Other costs	—	—	—	—	—
2022 Total	—	104	—	243	347

6.2 Fraud and suspected fraud

	Number of cases	2022 €000	2021 €000
Fraud	—	—	2
Suspected fraud	—	—	—

The Courts Service has nil instances of fraud or suspected fraud in 2022.

6.3 Prompt payment interest

The amount of prompt payment interest and compensation incurred in 2022 was €16,786.

6.4 Deferred surrender

Deferred surrender comprises savings in 2022 of €1.85 million in capital expenditure in the following subheads that were carried over to 2023.

	€000
Description of subhead:	
A.3 Courthouse (capital works)	1,630
A.4 PPP costs	220
	<u>1,850</u>