

An Garda Síochána

Oifig Saorála Fáisnéise
An Garda Síochána, Teach áth Luimnigh
Lárionad Gnó Udáras Forbartha Tionscail
Baile Sheáin, An Uaimh
Contae na Mí
C15 DR90



Freedom of Information Office
An Garda Síochána, Athlumney House
IDA Business Park
Johnstown, Navan
Co Meath
C15 DR90

Teileafón/Tel: (046) 9036350

Bí linn/Join us  

Láithreán Gréasain/Website:

www.garda.ie

Ríomh-phoist:/Email: foi@garda.ie

Mr. Ken Foxe
ken@righttoknow.ie

Re: Freedom of Information Request FOI-000292-2017 **Request Partially Granted**

Dear Mr. Foxe,

I refer to your request, dated 1st July 2017 and received on 3rd July, 2017, which you have made under the Freedom of Information Act (FOI) 2014 for records held by An Garda Síochána.

Part 1(n) of Schedule 1 of the FOI Act states that An Garda Síochána is listed as a partially included agency "insofar as it relates to administrative records relating to human resources, or finance or procurement matters". Therefore, only administrative records that relate to human resources, finance or procurement shall be considered.

Your request, after clarification was provided, sought:

1. *Second Review Audit Dublin North Central DMR*
2. *Report to Commissioner in relation to Financial Controls 2016*
3. *Audit Report DMR West Division*
4. *Review Audit Report DMR North Division*
5. *Report to the Commissioner in relation to Financial Controls in 2015*

I wish to inform you that I have decided to partially grant your request on the 17th July 2017 with regard to part 2 of your request: *Report to Commissioner in relation to Financial Controls 2016*

The purpose of this letter is to explain my decision.

1. Findings, particulars and reasons for decision to deny access

This audit report was requested from the Garda Internal Audit Section (GIAS).

Part 1(n), Schedule 1 - Out of Scope

In accordance with Part 1(n), Schedule 1 of the FOI Act certain records or parts of records have been redacted as they do not come within the scope of the FOI Act insofar as An Garda Síochána is concerned. Part 1(n) of Schedule 1 of the FOI Act states that An Garda Síochána is listed as a partially included agency *"insofar as it relates to administrative records relating to human resources, or finance or procurement matters"*. Therefore, only administrative records that relate to human resources, finance or procurement shall be considered.

Records relating to operational matters such as general risk management frameworks or evidential property management are exempted as part of Part 1 (n), Schedule 1 as these are neither considered administrative records (as set out in Office of the Information Commissioner: OIC case reference number 160276) or records relating to human resources, finance or procurement. The vast majority of this audit relates to the operational matters concerning property and evidence management thus the redaction is significant as per Part 1 (n) of Schedule 1 of the FOI Act.

2. Right of Appeal

In the event that you are not happy with this decision you may seek an Internal Review of the matter by writing to the address below and quoting reference number **F01-000292-2017**.

Freedom of Information Office,
An Garda Síochána,
Athlumney House, IDA Business Park,
Johnstown, Navan,
Co. Meath
C15 DR90

Please note that a fee applies. This fee has been set at €30 (€10 for a Medical Card holder). Payment should be made by way of bank draft, money order, postal order or personal cheque, and made payable to Accountant, Garda Finance Directorate, Garda Headquarters, Phoenix Park, Dublin 8.

Payment can be made by electronic means, using the following details:

Account Name: Garda Síochána Finance Section Public Bank Account
Account Number: 10026896
Sort Code: 900017
IBAN: IE86B0F190001710026896
BIC: BOFIE2D

You must ensure that your FOI reference number is included in the payment details.

You should submit your request for an Internal Review within 4 weeks from the date of this notification. The review will involve a complete reconsideration of the matter by a more senior member of An Garda Síochána and the decision will be communicated to you within 3 weeks. The making of a late appeal may be permitted in appropriate circumstances.

Please be advised that An Garda Síochána replies under Freedom of Information may be released in to the public domain via our website at www.garda.ie. Personal details in respect of your request have, where applicable, been removed to protect confidentiality.

Should you have any questions or concerns regarding the above, please contact me by telephone at (046) 9036350.

Yours sincerely,

 **SUPERINTENDENT**
HELEN DEELY
FREEDOM OF INFORMATION OFFICER

20TH JULY 2017

**Report to the Garda Commissioner in relation
to Financial Control in 2016**



March 2017

Table of Contents

Introduction	3
Work Completed	3
Risk Reduction.....	4
Value Added from Audit Process.....	6
Collaboration with Garda Professional Standards Unit.....	9



Anti-Fraud Policy.....	11
------------------------	----

Main Audit Findings	11
1. Financial Control Environment.....	11
2. Administrative Control and Management Reporting.....	11
3. Internal Audit.....	12
4. Significant Issues Identified from the Audit Process.....	13
4.1 Financial Controls in the Garda College.....	13
4.2 Failure of the Risk Management Framework.....	13
4.3 Awareness of Public Financial Procedures.....	15



4.5 Recoupment of Overpayments on Salary and Pensions.....	16
4.6 Procurement.....	17
4.7 Sick Absence Management and Staff Resource Allocation.....	17
Conclusion	17
Appendix 1: Audits Completed in 2016 and 1 st Quarter 2017... ..	20

Introduction

This Report documents issues identified, or brought to the attention of Internal Audit, during 2016 and the first quarter in 2017, that are relevant to the Financial Control Framework in An Garda Síochána. It will form part of the analysis informing the Commissioner in relation to whether she should sign the Statement of Internal Financial Control¹ in relation to Vote 20, An Garda Síochána, Appropriation Account 2016.

The opinions expressed in this Report are those of the Garda Internal Audit Section (GIAS) in its role as an independent oversight of the financial control framework within An Garda Síochána.

Work Completed

Fifteen audit reports were completed in 2016 and the first quarter 2017 (see Appendix 1). See table below;

Table 1 : Audit Reports Completed

Audit Reports Completed	2015	2016
Audits of Divisions/Districts/Specialist Units	7	5
Review Audits	4	6
Joint Audits with GPSU	0	1
Thematic Audits	1	2
Expenditure Reviews	0	0
Reports to Commissioner/Annual Report	1	1
Total	13	15

¹ The Statement of Internal Financial Control is required as part of the implementation of the Mullarkey Report – Department of Finance (2002).

Approximately 79% of the Audit Plan 2016 recommended by the Audit Committee was completed. The remaining 21% of the plan could not be completed due to staff vacancies in GIAS, the unavailability of auditees and because priority areas identified during 2016 changed with consequential changes to audit priorities. The approved strength of GIAS is eleven staff but eight are currently assigned to the Section.

In 2016, a Garda Inspector and Sergeant transferred from the Section and were replaced. The Professional Accountant position vacant for approximately six years was filled in October 2016. In addition considerable time was spent dealing with legal issues surrounding the Audit of the Garda College to ensure fair procedures were followed.

Notwithstanding the foregoing, I am confident that the major high risk areas contained in the 2016 Audit Plan and emerging risks which overshadowed in terms of importance some of the original risks, have been examined and reported on. An Audit plan for 2017 has been drawn up which includes audits that could not be concluded in 2016.

Risk Reduction

Internal Audit Reports have identified and reported on risks to the financial management and reputation of the Garda Organisation. The reports classify the recommendations made as priorities 1 to 3. Priority one recommendations are those where both the impact of the control weaknesses on the operations of the organisation as a whole or on Divisions/Units within the Garda Organisation and the likelihood of occurrence is considered to be high. Priority one issues require immediate attention by management. There are currently 37 priority one recommendations from Internal Audit Reports outstanding or not fully implemented. These can be broken down into the following general categories;

Garda Internal Audit Section

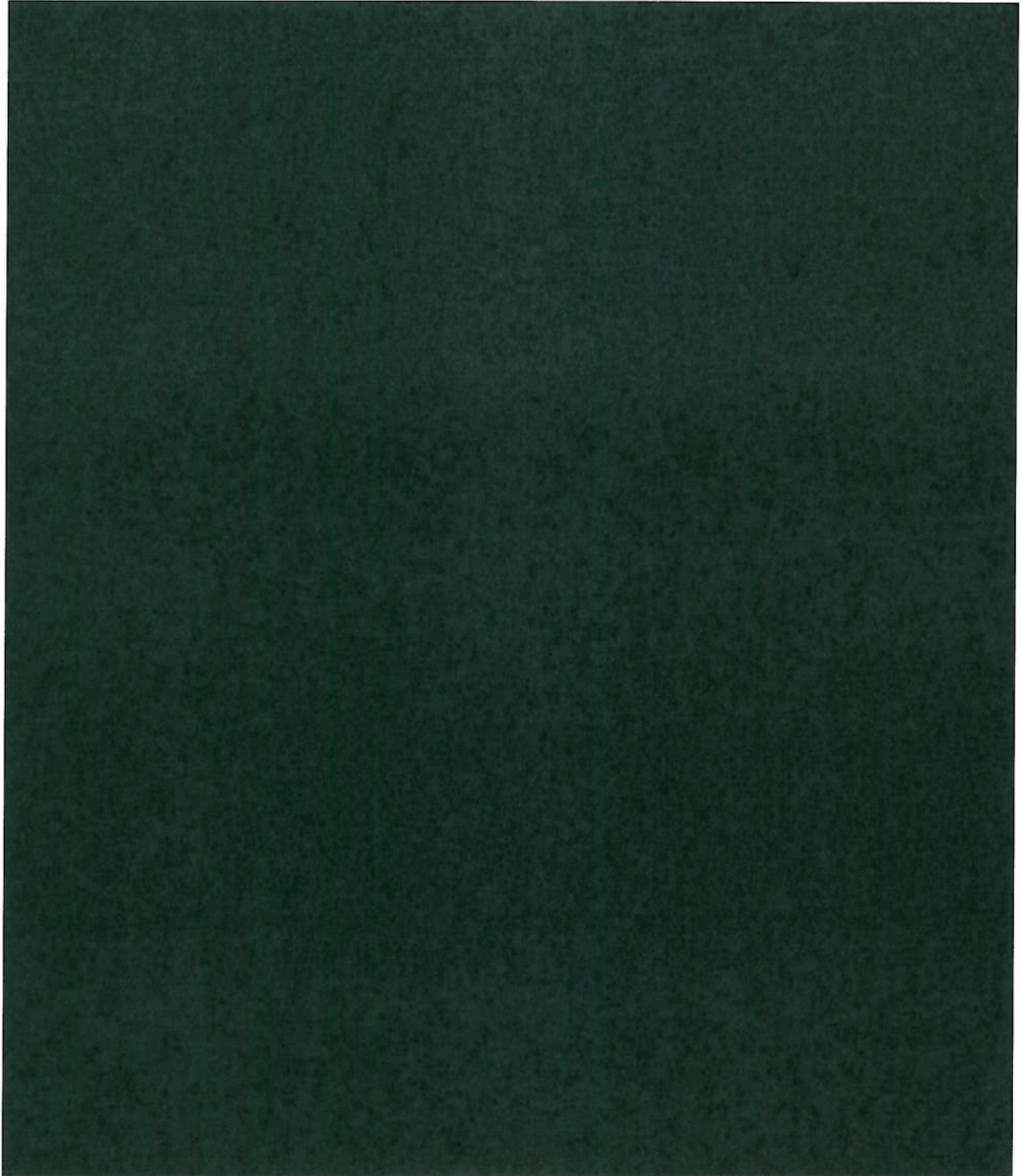
Table 2: Priority One Recommendations Outstanding;

Category	Number
[REDACTED]	
Resource Allocation and Absence Management	7
Procurement Procedures	4
Overpayments of Pay and Pension	4
[REDACTED]	
Overtime and Allowances	1
[REDACTED]	
Authorisation of Travel and Subsistence	1
[REDACTED]	
Vehicle Records & Fuel	1
Total	37

While 37 priority one recommendations remain to be resolved it should be noted that 15 other priority one recommendations were resolved or were revised to priority 2 or 3 during the last year on foot of management actions in relation to the recommendations from Internal Audit Reports. The outstanding recommendations are reported to each meeting of the Audit Committee. Review Audits are conducted within six months to one year after the original audit report has been concluded. In two Divisions in 2016 a second review audit was required because the issues were not resolved when examined at the first review audit stage. In this way risks are identified, recommendations for improvement made and a review conducted in order to provide assurance that these risks are being managed appropriately.

Value Added from Audit Process

The recommendations from audits which have been verified as implemented through the review audits conducted in 2016 contributed to a reduction in risk and an improvement in financial control as follows:



Seirbhísí gairmiúla póilíneachta agus slándála a sholáthar le hiontaoibh, muinín agus tacaíocht na ndaoine ar
abhfreastalaímid

To deliver professional policing and security services with the trust, confidence and support of the people we serve

2. Approximately 90% of the total Garda Vote relates to “staff costs” (e.g. basic pay, overtime, allowances and pensions). It is therefore essential that this expenditure is managed effectively and represents value for money. In line with the Policing Plan, and recommendations from the Garda Inspectorate Report (November 2015)², it is recommended that the maximum number of Gardaí are assigned to high visibility policing duties with “*direct contact with the public*”. Administrative roles should be undertaken by Civil Servants to the fullest extent possible to allow Garda members to perform high visibility policing roles. During 2016, GIAS audited the deployment of Garda Members at Garda and Sergeant grades as part of the Divisional Audits. The table below combines the findings from three Divisional Audits namely;

- Wexford
- Cork West
- DMR West

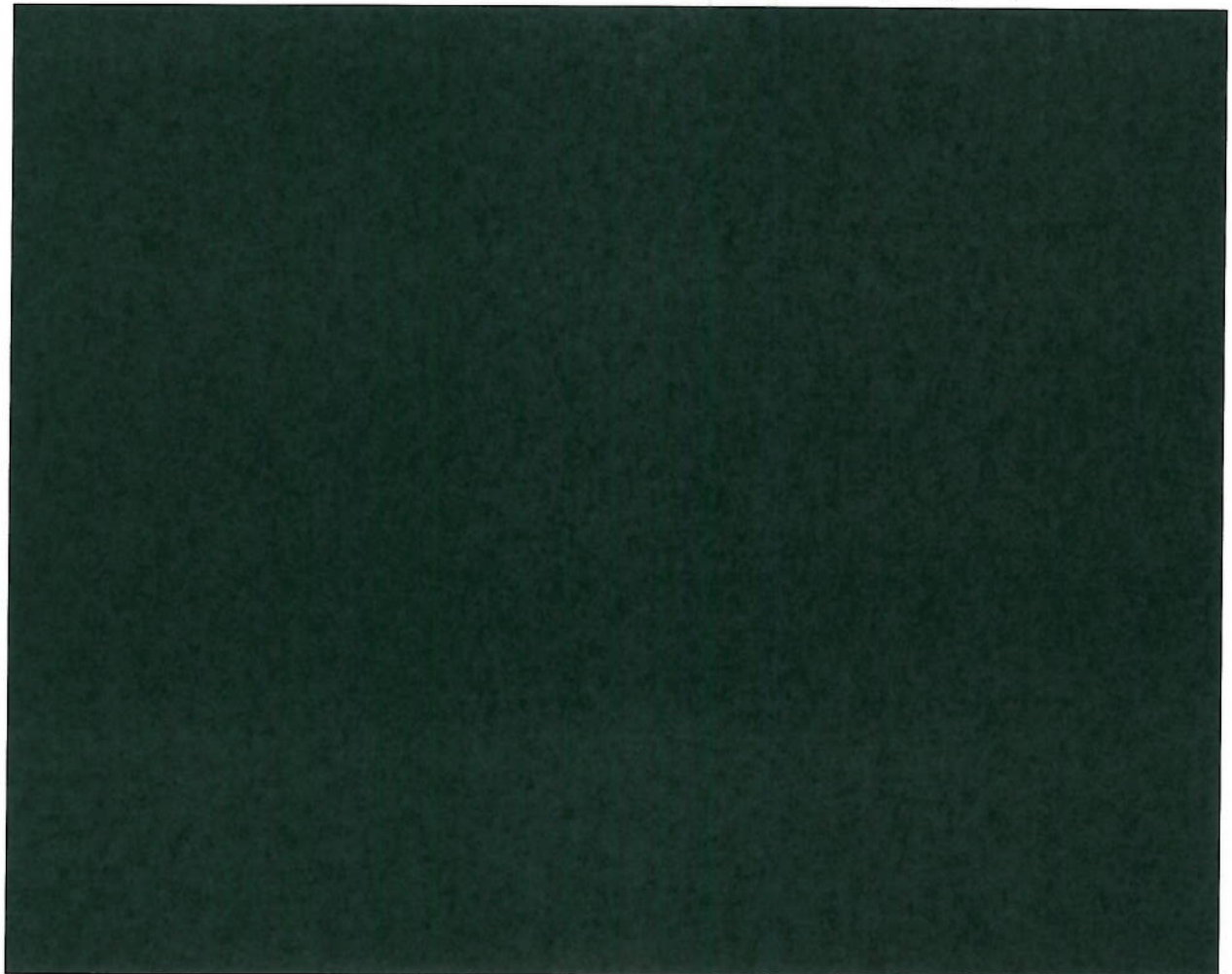
Table 3: Resource Allocation (Sergeants & Gardaí) on the day of the audit field work


	Strength Gardaí & Sergeant	Front Desk Duties	Non Roster Specialist Duties	Detective Duties	Patrolling and High Visibility Policing
Total	435	102	101	37	195
		23%	23%	9%	45%

This demonstrates that only 45% of the Gardaí and Sergeants on duty in these Divisions on the day of the audit were available for patrolling and high visibility policing. It is however acknowledged that some of the roles under the heading *Non Roster Specialist Duties* relate to vital policing roles with direct contact with the public (e.g. Juvenile Liaison Offices). Nonetheless all positions under the heading Non Roster Specialist Duties should be examined with role profiles set out to determine the most appropriate skill set to carry

² Garda Síochána Inspectorate; November 2015; Changing Policing in Ireland.

out each specialist or administrative role. It is essential in line with the Policing Plan and the Garda Inspectorate Report that more uniformed staff are moved to the normal roster of patrolling, crime prevention and high visibility policing. It is unsatisfactory that administrative roles continue to be assigned to Garda Members that could more appropriately be undertaken by Civil Servants. This is partially as a result of Civil Service staff particularly at grades higher than Executive Officer not being available for deployment due to a lack of training and staff development for Civil Service staff over many years in An Garda Síochána. In recent weeks an Organisation Deployment Survey has been circulated to identify positions for civilianisation and deployment of Garda Members to policing roles. GIAS is of the view that this work to identify posts for redeployment should have been prioritised following the recommendations of the Garda Inspectorate Report (2015)³.



- 
4. In the course of Divisional Audits in 2016 issues relating to the procedures regarding long-term sick absences of members and staff were examined including policies and procedures to assist staff to return to work including “light duties” and “reduced hours”. Recommendations were made regarding the need for Local Management to liaise closely with the Garda Human Resources and People Development Directorate and the Occupational Health Service in relation to such cases and to continuously review cases where “light duties” or “reduced hours” have been recommended.
 5. While much work has been done to enhance compliance with public procurement requirements leading to greater transparency, improved oversight, accountability and efficiency, GIAS found outstanding issues in regard to procurement in four Garda Divisions/ Business Units and also in the Garda College.

Collaboration with Garda Professional Standards Unit

GIAS, as part of the overall governance and control environment within An Garda Síochána, provides reasonable audit assurance that significant risks are identified, managed and controlled effectively throughout the Organisation. GPSU examines and reviews operational, administrative and management performance. GIAS and GPSU make recommendations and propose measures to enhance controls and improve performance. Both units have developed competences in certain areas of audit and examination. It is recognised that there is a overlap of responsibilities and roles between Garda Internal Audit Section and Garda Professional Standards Unit. In some complex audits the skill set of both units is required working collaboratively.

Garda Internal Audit Section

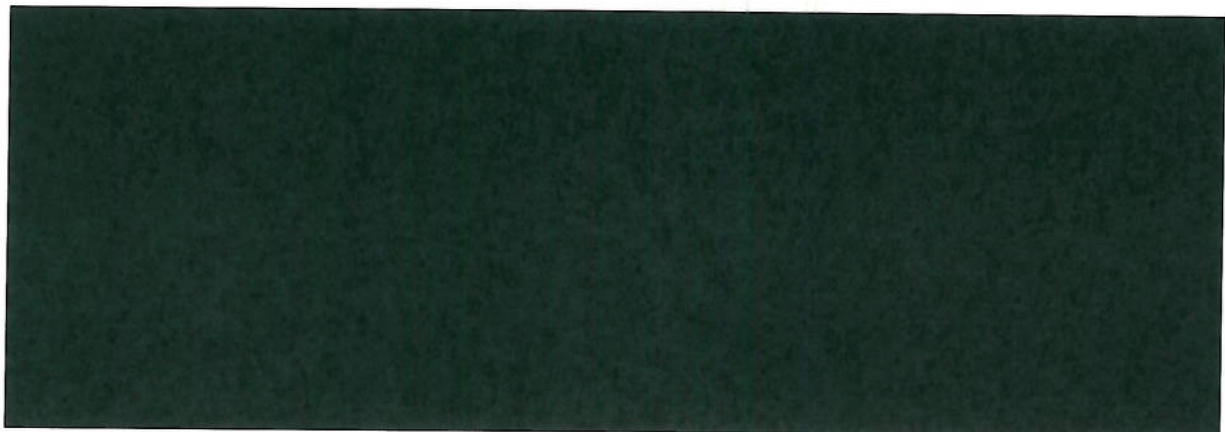
During 2016, a Joint Review Audit of the Serious Crime Review Team was completed by GIAS and GPSU. This review report recognises that substantial improvements that have been made in the Unit since the original audit and identifies no significant deficits or Organisational Risks. The Joint Review found the following:

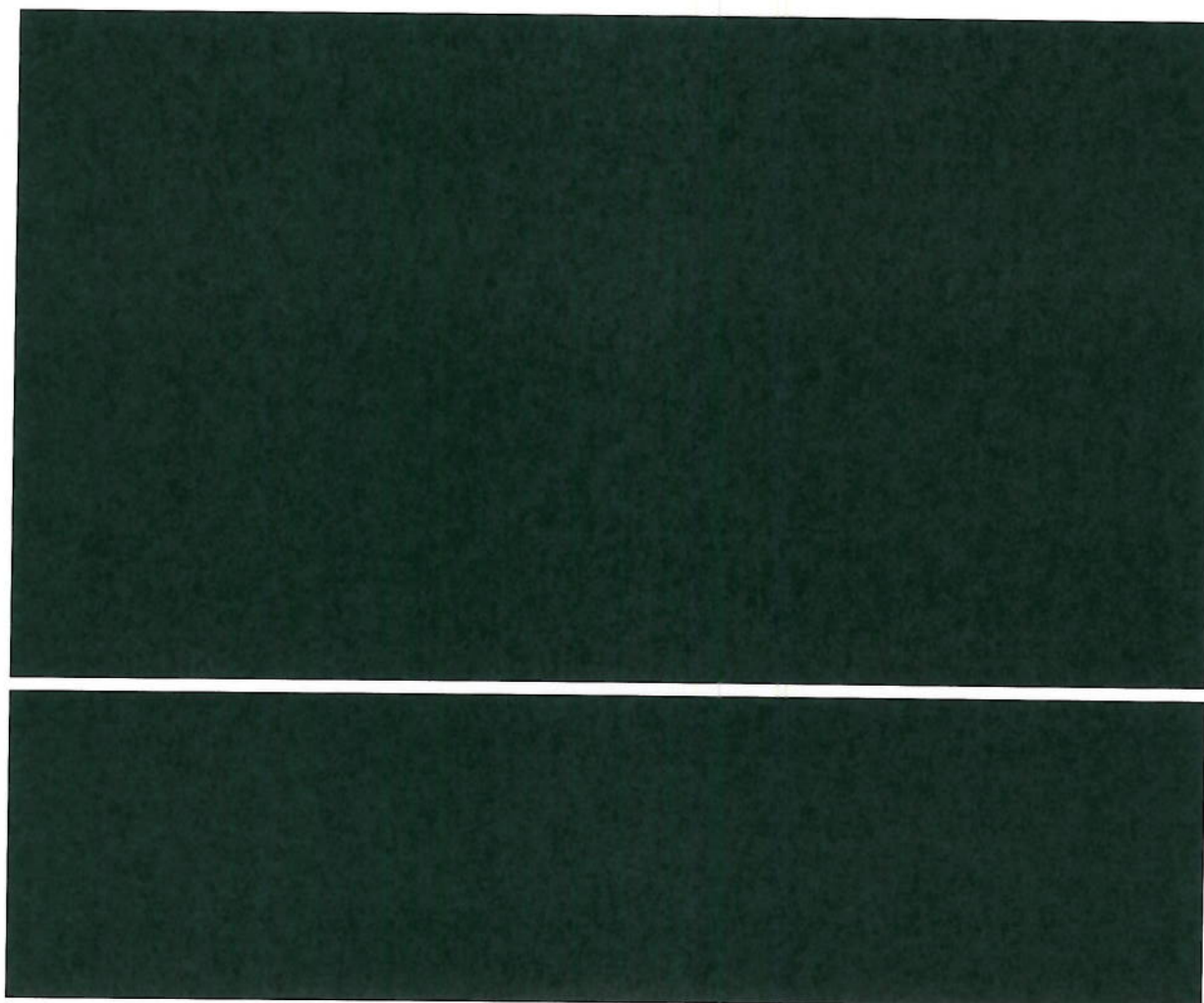
- Specific recommendations detailed in the SCRT Improvement Plan have been addressed by local management.
- Compliance with Garda Regulations, Code and Directives has improved.
- Controls in place in SCRT were strengthened to prevent anomalies and illustrated overall improved supervision and management.
- There was limited risk to the Garda Vote.
- Given the specific specialist nature of the SCRT, the combined effect was an overall reduced risk to the reputation of An Garda Síochána.

The two units continued in 2016 the work on the audit of the Special Crime Operations (formerly National Support Services) which encompasses audits of the following Units –

- I. SCO Regional Office,
- II. Garda National Economic Crime Bureau ,
- III. Garda Drugs and Organised Crime Bureau,
- IV. Garda National Immigration Bureau and
- V. Garda Technical Bureau.

These audits have been completed and are awaiting management responses.





Main Audit Findings

1. Financial Control Environment

In general, An Garda Síochána has well developed systems for setting out financial responsibilities and financial reporting. These systems are documented in the Garda Finance Code and the Public Financial Procedures⁵ An Audit of Financial Controls in the Garda College conducted in 2016, found significant control failure and issue of non- compliance with Public Financial Procedures (see below, 4 Significant Audit Findings). The audit process has established with the exception of the Garda College that:⁶

⁵ Public Financial Procedures – Department of Finance


⁶ Bullet points are taken from the Statement of Internal Financial Control included in DPE Circular 17/13 Section C.

- ♦ *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,*
- ♦ *An Audit Committee was appointed in 2014 to advise the Accounting Officer in discharging her responsibilities for the internal financial control system.*

2. Administrative Controls and Management Reporting

A framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation of responsibility and accountability and in particular the audit process has established that:

- *There is an adequate 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,*

- 
- *There are appropriate capital investment control guidelines and formal project management disciplines,*
 - *An Garda Síochána has systems and procedures to enable compliance with all relevant guidelines and circulars regarding procurement including a Central Procurement Office and Divisional Procurement Committees throughout the country. However difficulties, legal issues and delays in placing and replacing contract in some Divisions remain as highlighted in the four Divisions found not be complaint (see Page 7 point 5) ⁷*

⁷ The wording of this bullet point has been amended from that shown in DPE Circular 17/13, Section 13, as full compliance cannot be claimed at this point in time. The wording shown more accurately reflects the situation within An Garda Síochána.

3. Internal Audit

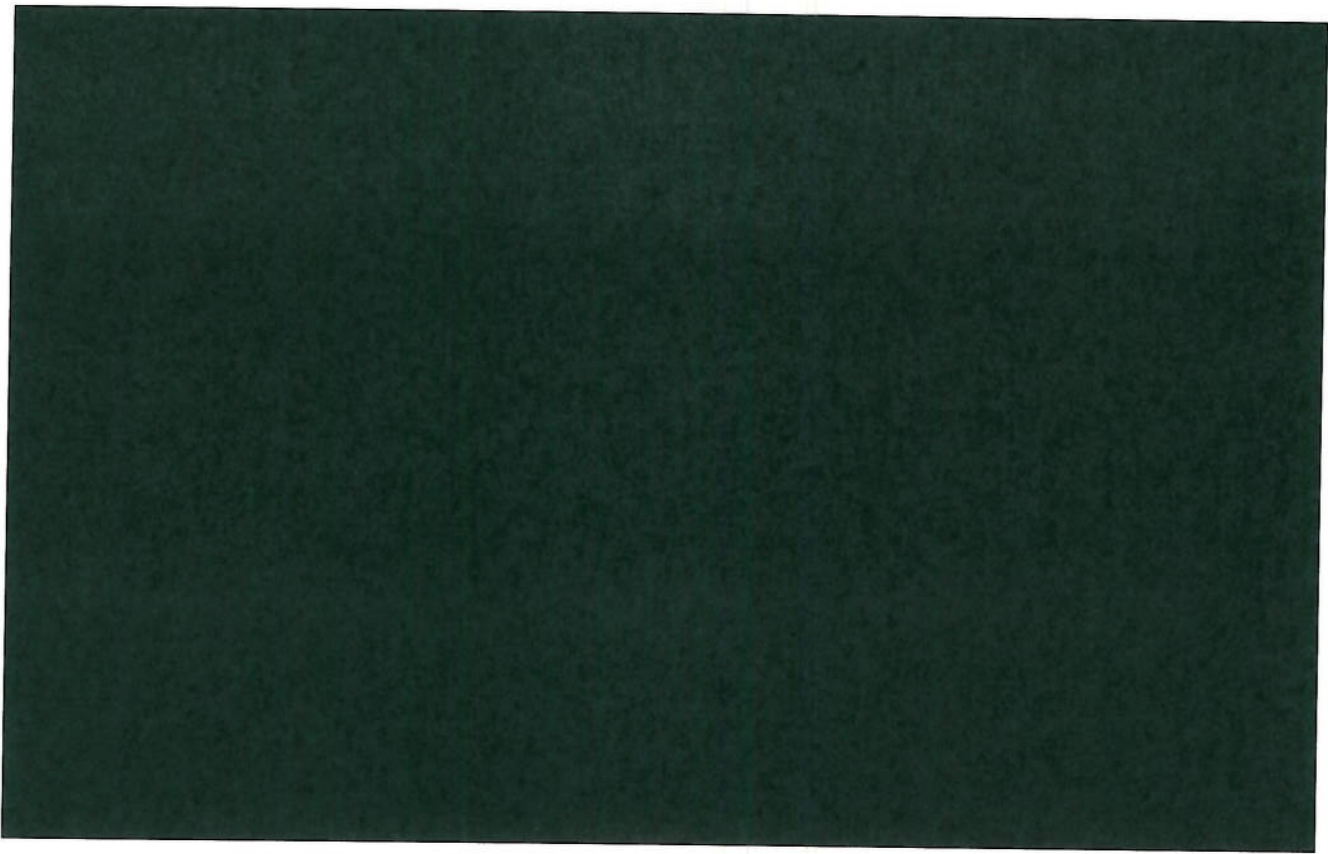
Garda Internal Audit Section has appropriately trained staff operating under a Charter agreed with the Garda Commissioner. Audit work informed by an analysis of the financial risks to which An Garda Síochána is exposed and its Annual Audit Plan to approved by the Audit Committee and the Commissioner in 2016 is based on this analysis. The Internal Audit function is reviewed periodically by the Audit Committee and the Commissioner. Procedures are in place to ensure that the recommendations from the Internal Audit Reports are implemented. An external review of GIAS in line with the requirements of the Professional Standards of the Chartered Institute of Internal Auditors was carried out by KOSI Corporation a firm of accountants and management consultants from Newry, Co Down. KOSI concluded that the Garda Internal Audit Service *“generally conforms to the Definition of IA, the International Standards for the Professional Practice of Internal Auditing and the Code of Conduct and is well placed to have a further positive impact on AGS. We have assigned GIAS with an overall adequate assurance level”*.

4. Significant issues identified from the Audit Process


4.1 Financial Controls in the Garda College

An audit of the Financial Controls in the Garda College could not provide assurance that the financial controls in operation at the Garda College are compliant with the Public Financial Procedures,¹ or the Garda Finance Code, and only limited assurance that the financial controls at the Garda College are compliant with Public Procurement Legislation². Recommendations of a Report written by the Finance Directorate in 2008 and instructions from the then Garda Commissioner were not followed through. The issues may give rise to tax liability and tax experts are being engaged to advise as to whether a voluntary disclosure to the Revenue is required.





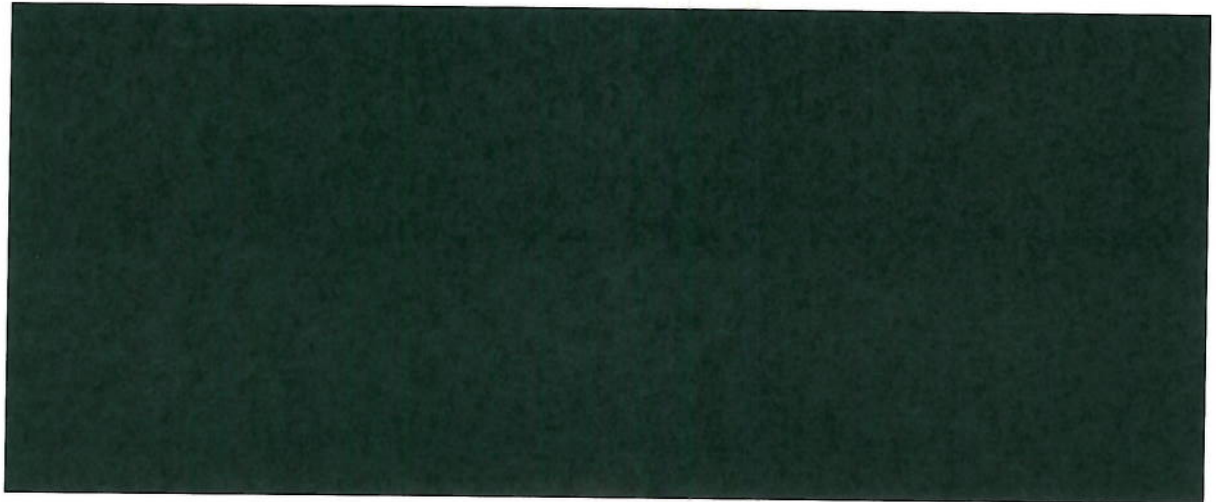
In addition the Audit of Financial Controls in the Garda College found that significant risks identified by the Finance Directorate in 2008, were not included in the Garda College Risk Register, the Finance Directorate Risk Register or the Corporate Risk Register.



4.3 Awareness of Public Financial Procedures

The basic framework of financial procedures in Central Government Votes is contained in the Public Financial Procedures (2008) colloquially referred to as *the Blue Book*. This together with Department of Public Expenditure and Reform (DPER) Circulars and Guidance and Frameworks issued by

Government Accounting Unit DPER comprise the main standard against which public bodies are required to maintain their accounting systems and against which the Office of the Comptroller and Auditor General conduct their audits. The Garda Síochána Act 2005 placed the An Garda Síochána centrally within the central government financial control structure when it made the Garda Commissioner the Accounting Officer for the Garda Voted expenditure and income. The Garda Finance Code contains most but not all of the requirements set out in the Public Financial Procedures and is an internal Financial Procedures Manual which was last revised in 2005 and amended since by the issue of HQ Directives. The Garda Finance Code is not the primary standard for financial control. Despite this Garda staff perceive that the Garda Finance Code is the primary standard. The confusion relating to the status of the Garda Finance Code lead to management in the Garda College unwittingly ignoring some requirements of the Public Financial Procedures.



4.5 Recoupment of Overpayments on Salary and Pensions

Information provided to GIAS from Garda Human Resource and People Development show balances outstanding in relation to overpayments of Salary and Pensions at the at 30th June 2016 amounted to €1,906,218 an increase of €376,238 (or 25%) on the balance at the end of September 2015. The total increase in this figure from 31st March 2013 to 30th June 2016 is €1,291,742 or

an increase of 210%. GIAS attribute this increase to greater scrutiny resulting in more cases being discovered. Repayment plans were in place for 36% of the cases of overpayments at the end of 2016. GIAS are concerned that adequate human resources are not being provided to the Recoupment Unit. It is not satisfactory that the Recoupment Unit set up as a result of the previous audit had dissipated to no staff from October 2016 and one half-time member of staff at HEO level was provided after GIAS proposed that another review audit was required. It is essential that as a matter of urgency and until the balances have been reduced to a more acceptable level that a staff complement of at least three full time equivalent staff at the level of HEO, EO and CO should be provided to this Unit on a permanent basis.

It is likely that write-offs for some of this debt will be required but every effort should be made to recoup as much of this outstanding balance as possible.

Overpayments were found by Internal Audit to have occurred for four main reasons, namely;

1. Late notifications regarding deaths, the payment of pensions in advance contributes to the cause of overpayments in this area
2. Late notifications regarding payroll adjustment events such as unpaid leave, allowances, sick leave and rates of pay
3. Incorrect points of scale
4. Social Welfare Benefit Retention. This refers to members who had social welfare payments paid directly to themselves when it should have been paid to An Garda Síochána.

4.6 Procurement

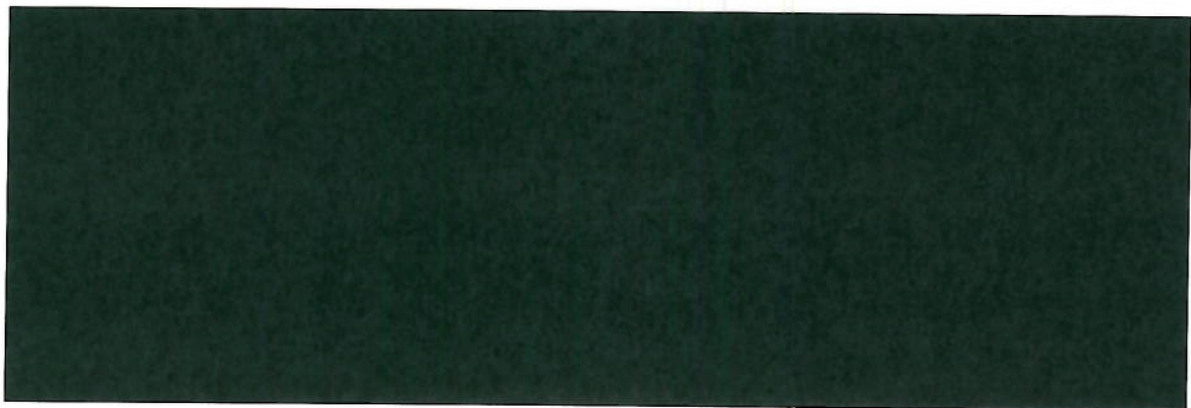
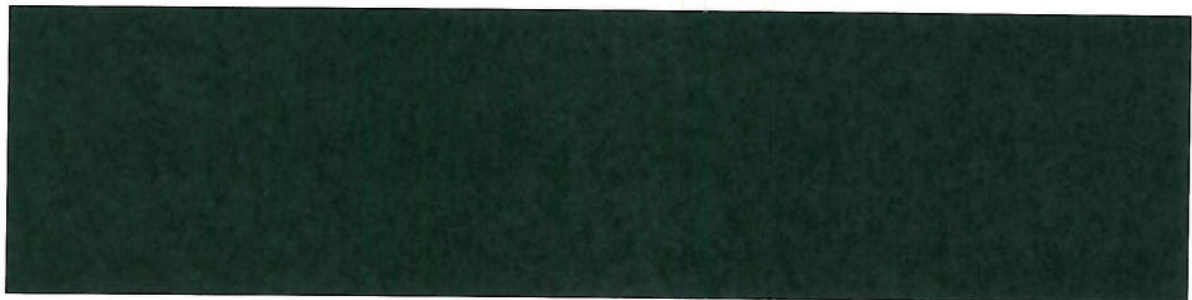
Continuous improvements in the procurement process were evident in 2016. However, GIAS found outstanding issues with regard to procurement in four Garda Divisions and in the Garda College. Progress in this area should continue to be monitored. It is somewhat disappointing that the Medical Service Contract has not been put in place and that there continues to be problems

associated with the placing of contracts for the towing and storage of seized vehicles in some parts of the country.

4.7 Sick, Absence Management and Staff Resource Allocation.

GIAS continued in 2016 to scrutinize issues relating to absence management particularly in relation to long term sick leave cases and how employees are encouraged to return to full employment. As staff absences represent a major cost to the Garda Vota, this issue will continue to be reviewed by GIAS.

Conclusion



[REDACTED]

As a result of the audit work conducted in 2016/17 I am required by professional audit standards to highlight findings of significant risk exposure in relation to financial controls in the Garda College and [REDACTED]

[REDACTED]

It is recommended that a detailed note is included in the Statement of Internal Financial Control in relation to the failure of the Financial Management Procedures in the Garda College over many years. This note should set out the breaches of the Public Financial Procedures identified in the GIAS Report and set out the controls with regard to the administration of the Garda College that are being put in place to resolve the issues and mitigate against the risks.

[REDACTED]

Given the above mentioned continuous improvements and the recommended notes to be included in the Statement it is reasonable for the Commissioner to sign the Statement of Internal Financial Control in relation to the Garda Vote in 2016.

Niall Kelly

Head of Internal Audit 31th March 2017

Seirbhísí gairmiúla póilíneachta agus slándála a sholáthar le hiontaoibh, muinín agus tacaíocht na ndaoine ar abhfreastalaímid
To deliver professional policing and security services with the trust, confidence and support of the people we serve

Appendix 1: Audit Reports Completed in 2016 and 1st Quarter 2017.

1. Report to the Commission in relation to Financial Controls in 2016
2. Review Audit of Overpayments of Pay and Pension (March 2016)
3. First Review Audit DMR North Central (April 2016)
4. Second Review Audit DMR North Central (January 2017)
5. First Review Audit DMR South Central (May 2016)
6. Second Review Audit DMR South Central (January 2017)
7. Audit Report Wexford Division (September 2016)
8. Audit of West Cork Division (March 2017)
9. Audit Report Dublin Metropolitan Region West Division (March 2017)
10. Joint Review Examination of the Serious Crime Review Team by GPSU and GIAS (October 2016)
11. Interim Audit Report of Financial Procedures in the Garda College, Templemore (February 2017)
12. Audit of the Risk Management Framework (March 2017)
13. Review Audit DMR North Division (March 2017)
14. Audit Report DMR West Division (March 2017)
15. Audit of Risk Management Framework (March 2017).

¹ Public Financial Procedures; (the Blue Book) Department of Public Expenditure and Reform (2008)

govacc.per.gov.ie/public-financial-procedures-booklet-by-section/

² Public Procurement Legislation;

S.I. No. 192/2015 - European Communities (Public Authorities Contracts) (Review Procedures) (Amendment) Regulations 2015.

S.I. No. 193/2015 - European Communities (Award of Contracts by Utility Undertakings) (Review Procedures) (Amendment) Regulations 2015.

<https://procurement.ie/regulations-si-130-2010-european-communities-public-authorities%E2%80%9999-contracts-review-procedures>

S.I. No. 286 of 2016 European Union (Award of Contracts by Utility Undertakings)

Regulations 2016 Date Published: 2016 [Download](#)

S.I. No. 284 of 2016 European Union (Award of Public Authority Contracts)

Regulations 2016 Date Published: 2016 [Download](#)

S.I. No. 192 of 2015 European Communities (Public Authorities' Contracts) (Review Procedures) (Amendment) Regulations 2015 Date Published: 2015 [Download](#)

S.I. No. 193 European Communities (Award of Contracts by Utility Undertakings) (Review Procedures) (Amendment) Regulations 2015 Date Published: 2015

[Download](#)

EU Directive 2014/25 - Procurement by entities operating in the water, energy, transport and postal services sectors (Utilities Directive) Date Published: 2014

[Download](#)

EU Directive 2014/24 - EU Procurement Directive Date Published: 2014 [Download](#)

EU Directive 2014/23 - Award of Concession Contracts Date Published: 2014

[Download](#)

An Garda Síochána

Oifig Saorála Fáisnéise
An Garda Síochána, Teach áth Luimnigh
Lárionad Gnó Udáras Forbartha Tionscail
Baile Sheáin, An Uaimh
Contae na Mí
C15 DR90



Freedom of Information Office
An Garda Síochána, Athlumney House
IDA Business Park
Johnstown, Navan
Co Meath
C15 DR90

Teileafón/Tel: (046) 9036350

Bí linn/Join us  

Láithreán Gréasain/Website:

www.garda.ie

Ríomh-phoist/Email: foi@garda.ie

Mr. Ken Foxe
ken@righttoknow.ie

Re: Freedom of Information Request FOI-000292-2017 **Request Partially Granted**

Dear Mr. Foxe,

I refer to your request, dated 1st July 2017 and received on 3rd July, 2017, which you have made under the Freedom of Information Act (FOI) 2014 for records held by An Garda Síochána.

Part 1(n) of Schedule 1 of the FOI Act states that An Garda Síochána is listed as a partially included agency "*insofar as it relates to administrative records relating to human resources, or finance or procurement matters*". Therefore, only administrative records that relate to human resources, finance or procurement shall be considered.

Your request, after clarification was provided, sought:

1. *Second Review Audit Dublin North Central DMR*
2. *Report to Commissioner in relation to Financial Controls 2016*
3. *Audit Report DMR West Division*
4. *Review Audit Report DMR North Division*
5. *Report to the Commissioner in relation to Financial Controls in 2015*

I wish to inform you that I have decided to partially grant your request on the 17th July 2017 with regard to part 5 of your request: *Report to the Commissioner in relation to Financial Controls in 2015*

The purpose of this letter is to explain my decision.

1. Findings, particulars and reasons for decision to deny access

This audit report was requested from the Garda Internal Audit Section (GIAS).

Part 1(n), Schedule 1 - Out of Scope

In accordance with Part 1(n), Schedule 1 of the FOI Act certain records or parts of records have been redacted as they do not come within the scope of the FOI Act insofar as An Garda Síochána is concerned. Part 1(n) of Schedule 1 of the FOI Act states that An Garda Síochána is listed as a partially included agency *"insofar as it relates to administrative records relating to human resources, or finance or procurement matters"*. Therefore, only administrative records that relate to human resources, finance or procurement shall be considered.

Records relating to operational matters such as warrants or evidential property management are exempted as part of Part 1 (n), Schedule 1 as these are neither considered administrative records (as set out in Office of the Information Commissioner: OIC case reference number 160276) or records relating to human resources, finance or procurement. The vast majority of this audit relates to the operational matters concerning property and evidence management thus the redaction is significant as per Part1 (n) of Schedule 1 of the FOI Act.

2. Right of Appeal

In the event that you are not happy with this decision you may seek an Internal Review of the matter by writing to the address below and quoting reference number **F01-000292-2017**.

Freedom of Information Office,
An Garda Síochána,
Athlumney House, IDA Business Park,
Johnstown, Navan,
Co. Meath
C15 DR90

Please note that a fee applies. This fee has been set at €30 (€10 for a Medical Card holder). Payment should be made by way of bank draft, money order, postal order or personal cheque, and made payable to Accountant, Garda Finance Directorate, Garda Headquarters, Phoenix Park, Dublin 8.

Payment can be made by electronic means, using the following details:

Account Name: Garda Síochána Finance Section Public Bank Account
Account Number: 10026896
Sort Code: 900017
IBAN: IE86B0F190001710026896
BIC: BOFIE2D

You must ensure that your FOI reference number is included in the payment details.

You should submit your request for an Internal Review within 4 weeks from the date of this notification. The review will involve a complete reconsideration of the matter by a more

senior member of An Garda Síochána and the decision will be communicated to you within 3 weeks. The making of a late appeal may be permitted in appropriate circumstances.

Please be advised that An Garda Síochána replies under Freedom of Information may be released in to the public domain via our website at www.garda.ie. Personal details in respect of your request have, where applicable, been removed to protect confidentiality.

Should you have any questions or concerns regarding the above, please contact me by telephone at (046) 9036350.

Yours sincerely,

 **SUPERINTENDENT**
HELEN DEELY
FREEDOM F INFORMATION OFFICER

20TH JULY 2017




Page No	Description of document	Deletions	Relevant Section of FOI Acts	Reason for decision	Person(s) Consulted	Objections Yes/No	Decision Maker's decision
1	Cover Sheet	0	n/a	n/a			Granted
2	Table of Contents	3	Part 1(n) Schedule 1	Out of Scope			Part-Grant
3 to 4	Introduction & Work Completed	0	n/a	n/a			Granted
5	Table 2 - Priority Recommendation Outstanding	5	Part 1(n) Schedule 1	Out of Scope			Part-Grant
6 to 8	Value Added from Audit Process	3	Part 1(n) Schedule 1	Out of Scope			Part-Grant
9	Collaboration with Garda Professional Standards Unit	1	Part 1(n) Schedule 1	Out of Scope			Part-Grant
10 to 12	Main Audit Findings	3	Part 1(n) Schedule 1	Out of Scope			Part-Grant
13	Conclusion	4	Part 1(n) Schedule 1	Out of Scope			Part-Grant
14 to 15	Signature & List of Audits completed 2015	0	n/a	n/a			Granted
16 to 17	Blank Sheets	0	n/a	n/a			Granted
	Total number of pages					17	
	Total number of pages for full release					7	
	Total number of pages for partial release					10	
	Total number of pages being withheld					0	

Report to the Garda Commissioner in relation to Financial Control in 2015



March 2016

Table of Contents

Introduction	3
Work Completed	3
Risk Reduction.....	5
Value Added from Audit Process.....	6
Collaboration with Garda Professional Standards Unit.....	8
	
Anti-Fraud Policy.....	9
Main Audit Findings	9
1. Financial Control Environment.....	9
2. Administrative Control and Management Reporting.....	10
3. Internal Audit.....	11
4. Significant Issues Identified from the Audit Process.....	11
	
4.2. Overpayments of Salary and Pensions.....	11
4.3. Procurement.....	12
	
Conclusion	13
Appendix 1: Audits Completed in 2015 and 1 st Quarter 2016...	15

Introduction

This Report documents issues identified by Internal Audit or brought to the attention of Internal Audit during 2015 and the first quarter in 2016, that are relevant to the Financial Control Framework in An Garda Síochána. It will form part of the analysis informing the Commissioner in relation to whether she should sign the Statement of Internal Financial Control¹ in relation to Vote 20, An Garda Síochána, Appropriation Account 2015.

The opinions expressed in this Report are those of the Garda Internal Audit Section (GIAS) in its role as an independent oversight of the financial control framework within An Garda Síochána.

Work Completed

Thirteen audit reports were completed in 2015 and the first quarter 2016 (see Appendix 1). These included;

- Seven Audits of Garda Divisions/ Districts/Specialist Units.
- One Thematic Audit.
- Four Review Audit Reports which focused on the implementation of recommendation from previous audits.
- One Report, to the Garda Commissioner in relation to Financial Control and encompassing the Annual Report of the Garda Internal Audit Section.

This does not include the Joint Audit with Garda Professional Standards Unit of the National Support Service (NSS) Region which comprises of five sub-audits of;

1. Office of the Assistant Commissioner NSS
2. Garda National Immigration Bureau

¹ The Statement of Internal Financial Control is required as part of the implementation of the Mullarkey Report – Department of Finance (2002).

3. Garda Bureau of Fraud Investigation
4. Technical Bureau
5. Garda Drugs and Organised Crime Bureau

This audit is not yet completed and to date has taken up 202 audit days in the second half of 2015 and the first quarter of 2016.

Audit Reports Completed	2014	2015
Audits of Divisions/Districts/Specialist Units	6	7
Review Audits	4	4
Joint Audits with GPSU	2	0
Thematic Audits	4	1
Expenditure Reviews	2	0
Reports to Commissioner/Annual Report	1	1
Total	19	13

Approximately 75% of the Audit Plan 2015 recommended by the Audit Committee was completed. The other 25% of the plan could not be completed due to staff vacancies in GIAS, the unavailability of auditees and because priority areas identified during 2015 changed with consequential changes to audit priorities. The approved strength of GIAS is eleven staff but only seven are currently employed in the Section. The capacity was reduced by vacancies at Sergeant and Executive Officer and Accountant grades.

Notwithstanding the foregoing, I am confident that the major high risk areas contained in the 2015 Audit Plan and emerging risks which overshadowed in terms of importance some of the original risks, have been examined and reported on. An Audit plan for 2016 has been drawn up which includes audits that could not be concluded in 2015.

Risk Reduction

Internal Audit Reports have identified and reported on risks to the financial management and reputation of the Garda Organisation. The reports classify the recommendations made, as priorities 1 to 3. Priority one recommendations are those where both the impact of the control weaknesses on the operations of the organisation as a whole or on Divisions/Units within the Garda Organisation and the likelihood of occurrence is considered to be high. Priority one issues require immediate attention by management. There are currently 44 priority one recommendations from Internal Audit Reports outstanding or not fully implemented. These can be broken down into the following general categories;

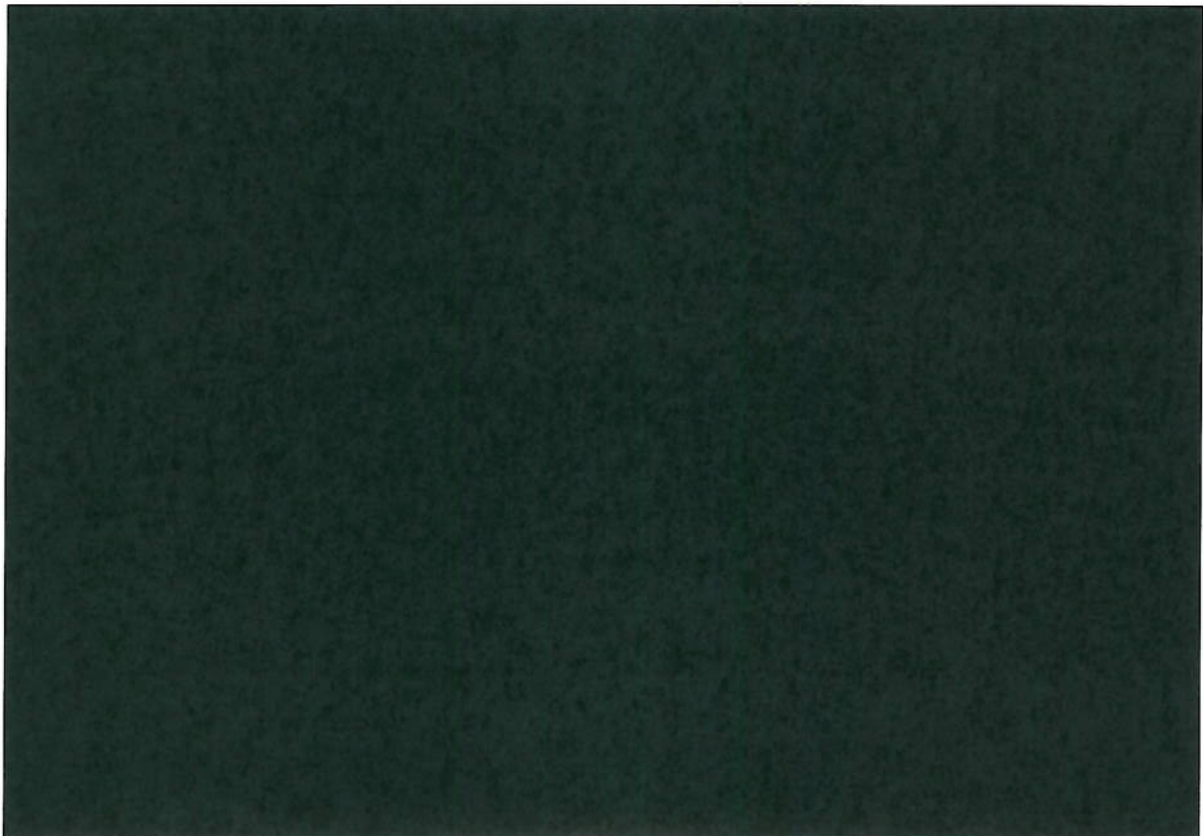
Priority One Recommendations Outstanding;

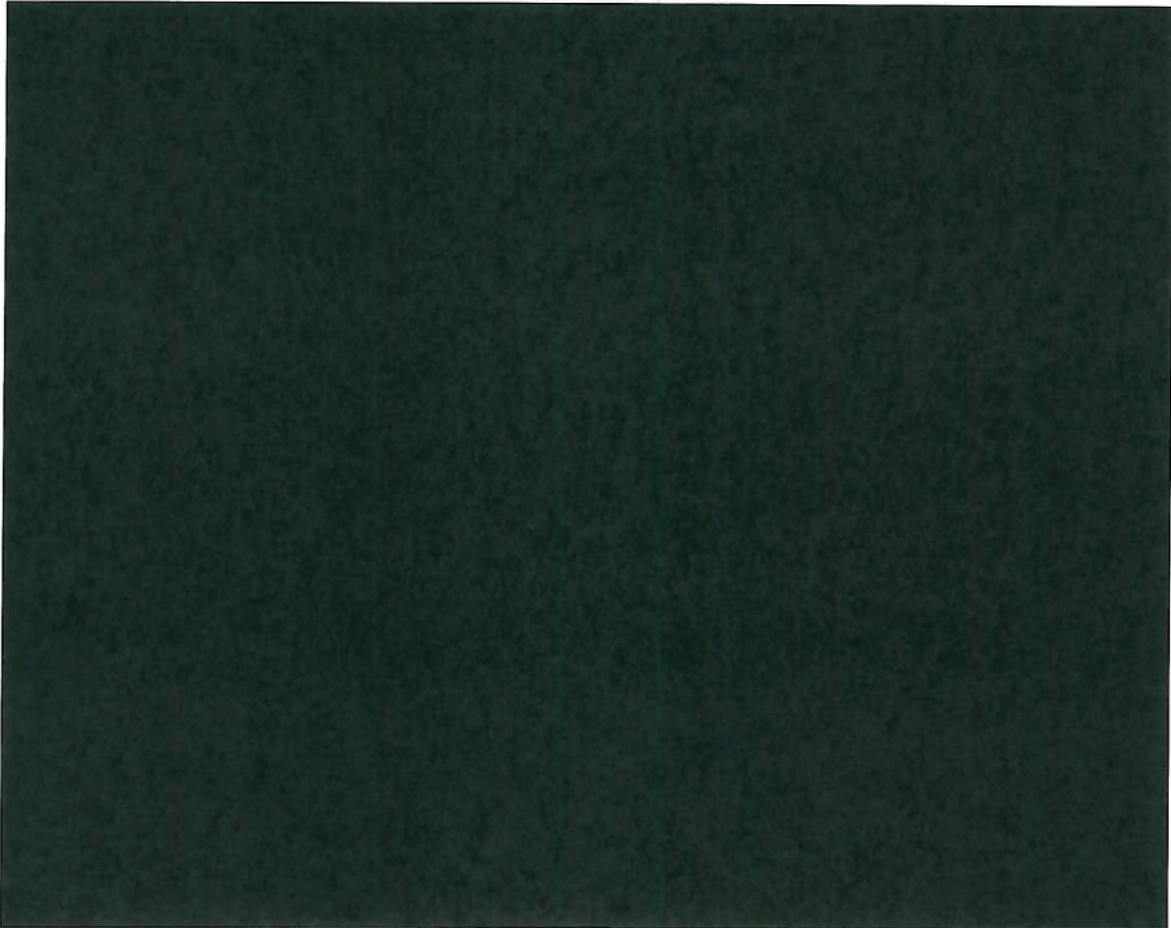
Category	Number
Procurement Procedures	4
Sick Absence and Resource Management	5
Overtime and Allowances	1
Local Management Inspections/Oversight	2
Authorisation of Overtime and Allowances	3
Total	44

While 44 priority one recommendations remain to be resolved it should be noted that 21 other priority one recommendations have been resolved or were revised to priority 2 or 3 over the last year on foot of management action in relation to the recommendation from Internal Audit Reports. The outstanding recommendations are reported to the Audit Committee at each meeting. Review Audits are conducted within six months to one year after the original audit report has been concluded. In this way risks are identified, recommendations for improvement made and a review conducted in order to provide assurance that these risks are being managed appropriately.

Value Added from Audit Process

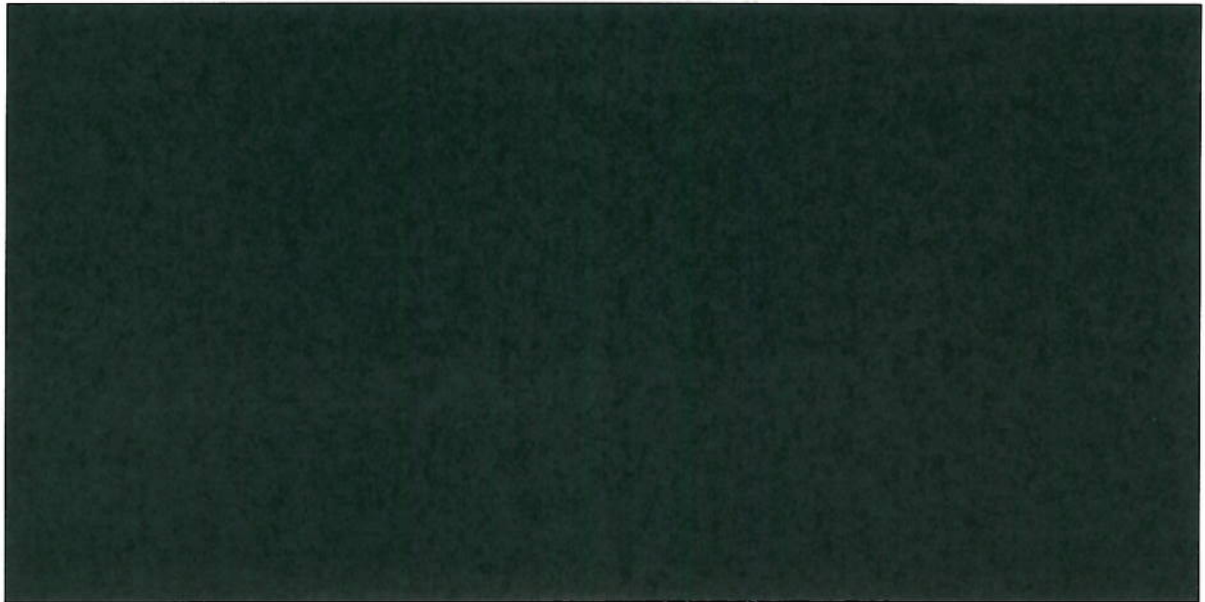
The recommendations from audits which have been verified as implemented through the review audits conducted in 2015 contributed to a reduction in risk and an improvement in financial control as follows:



- 
3. In the course of Divisional Audits in 2015 issues relating to the procedures regarding long-term sick absences of members and staff were examined including policies and procedures to assist staff to return to work including “light duties” and “reduced hours”. Recommendations were made regarding the need for Local Management to liaise closely with the Garda Human Resources and People Development Directorate and the Occupational Health Service in relation to such cases and to continuously review cases where “light duties” or “reduced hours” have been recommended.
 4. Audit recommendations were made in regard to more effective allocation of staffing resources and re-organisation of administrative functions to better fit our strategic and operational goals.
 5. While much work has been done to enhance compliance with public procurement requirements leading to transparency, improved oversight,

² HQ Directive 59/14; Garda Inspections and Reviews; July 2014.

accountability and greater efficiency, GIAS found outstanding issues in regard to procurement in four Garda Divisions.



Collaboration with Garda Professional Standards Unit

GIAS, as part of the overall governance and control environment within An Garda Síochána, provides reasonable audit assurance that significant risks are identified, managed and controlled effectively throughout the Organisation. GPSU examines and reviews operational, administrative and management performance. GIAS and GPSU make recommendations and propose measures to enhance controls and improve performance. Both units have developed competences in certain areas of audit and examination. It is recognised that there is a crossover of responsibilities and roles between Garda Internal Audit Section and the Garda Professional Standards Unit. In some complex audits the skill set of both units is required working collaboratively. During 2015 one joint audit was undertaken between GPSU and GIAS as follows;

1. National Support Service Region, which encompasses audits of the following Units –

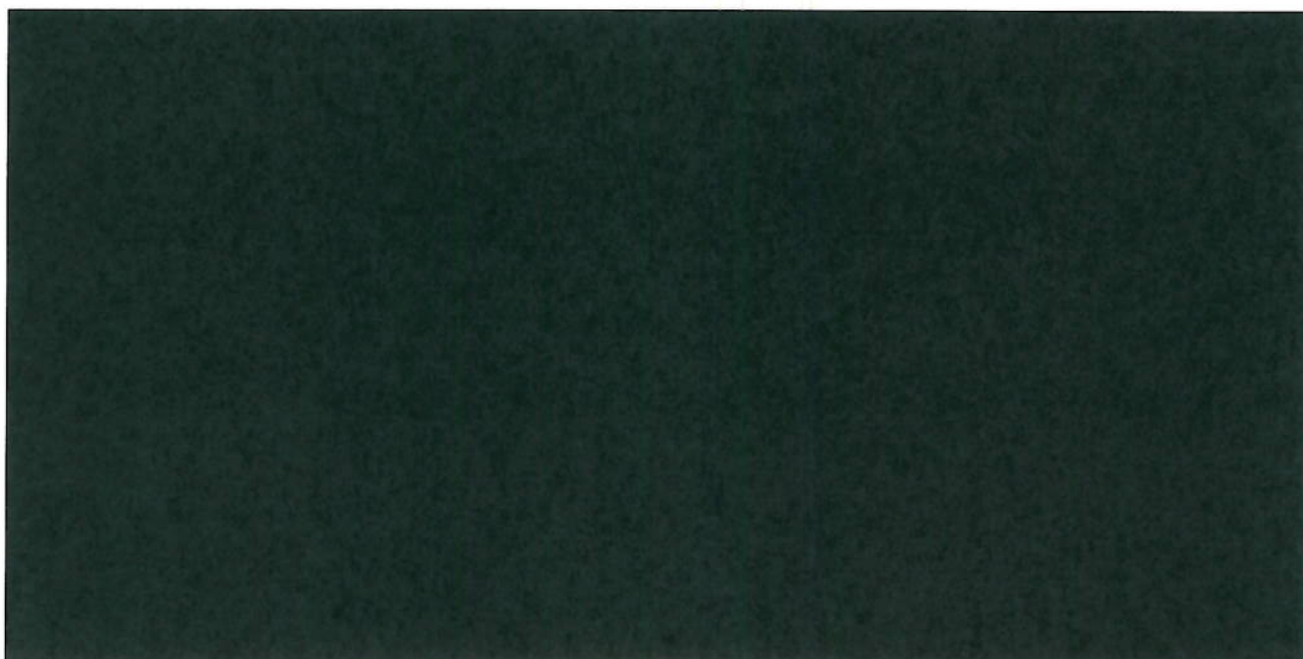
- I. NSS Regional Office,
- II. Garda Bureau of Fraud Investigations,
- III. Garda Drugs and Organised Crime Bureau,

IV. Garda National Immigration Bureau and

V. Garda Technical Bureau.

These audits are still being worked on and have consumed considerable resources to date (202 audit days by GIAS staff to date).

During 2015 this collaboration with GPSU has worked well with joint teams working together under the direction of Chief Superintendent GPSU and the Head of Internal Audit. This collaboration will continue in 2016.



Main Audit Findings

1. Financial Control Environment

In general An Garda Síochána has well developed systems for setting out financial responsibilities and financial reporting. These systems are documented in the Garda Finance Code and the Public Financial Procedures³. The audit process has established that:⁴

³ Public Financial Procedures – Department of Finance

⁴ Bullet points are taken from the Statement of Internal Financial Control included in DPE Circular 17/13 Section C.

- ♦ *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,*
- ♦ *An Audit Committee was appointed in 2014 to advise the Accounting Officer in discharging her responsibilities for the internal financial control system.*

2. Administrative Controls and Management Reporting

A framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation of responsibility and accountability and in particular the audit process has established that:

- *There is an adequate 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,*

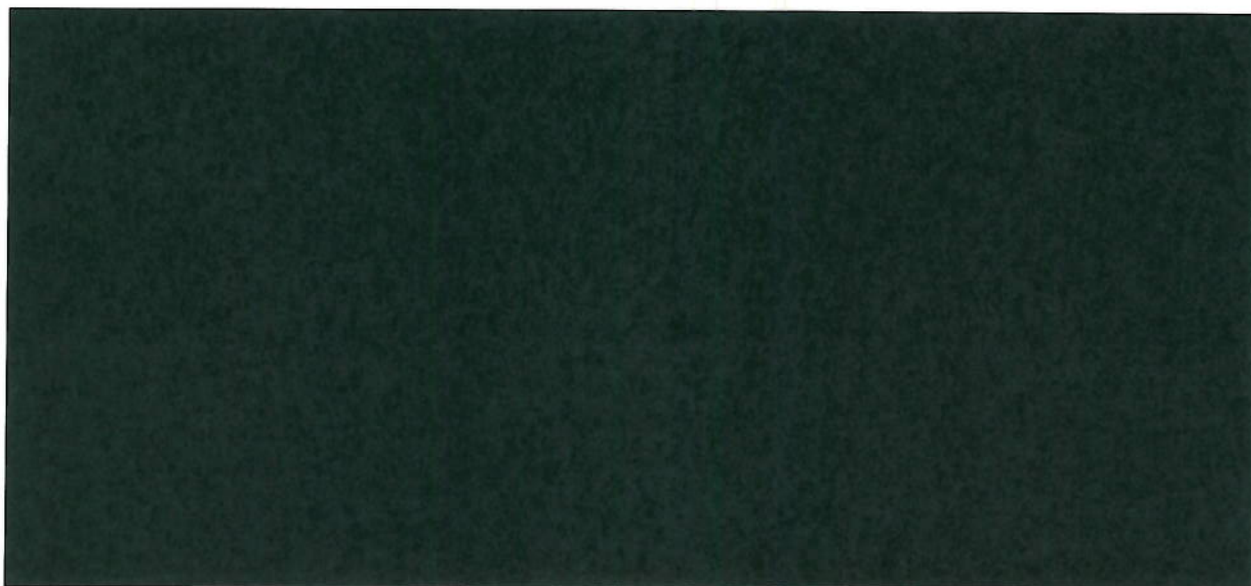
- *There are appropriate capital investment control guidelines and formal project management disciplines,*
- *An Garda Síochána has systems and procedures to enable compliance with all relevant guidelines and circulars regarding procurement including a Central Procurement Office and Divisional Procurement Committees throughout the country. However difficulties, legal issues and delays in placing and replacing contract in some Divisions remain as highlighted in the four Divisions found not be complaint (see Page 7 point 5) ⁵*

⁵ The wording of this bullet point has been amended from that shown in DPE Circular 17/13, Section 13, as full compliance cannot be claimed at this point in time. The wording shown more accurately reflects the situation within An Garda Síochána.

3. Internal Audit

Garda Internal Audit Section has appropriately trained staff operating under a Charter agreed with the Garda Commissioner. Audit work is informed by analysis of the financial risks to which An Garda Síochána is exposed and its Annual Audit Plan which was approved by the Audit Committee and the Commissioner in 2015 is based on this analysis. The Internal Audit function is reviewed periodically by the Audit Committee and the Commissioner. Procedures are in place to ensure that the recommendations from the Internal Audit Reports are implemented.

4. Significant issues identified from the Audit Process



4.2 Recoupment of Overpayments on Salary and Pension

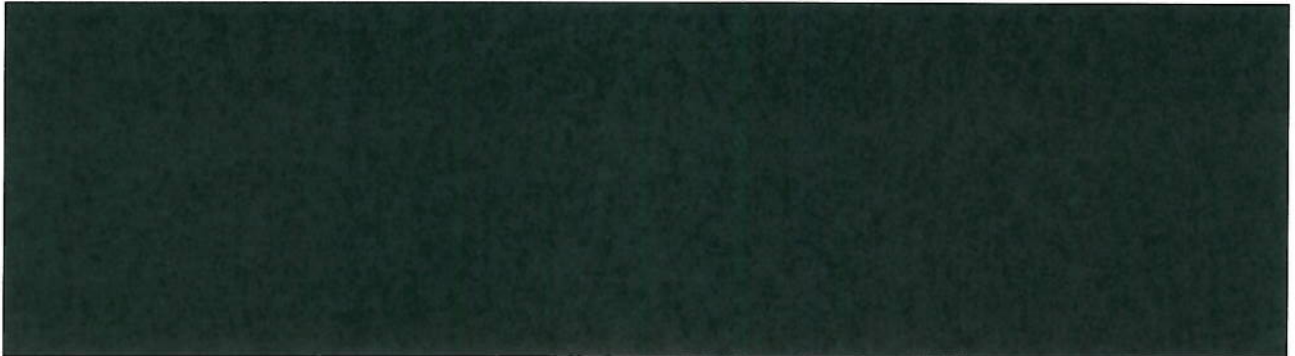
Balances outstanding in relation to overpayments of Salary and Pensions at the at 30th September 2015 amounted to approximately €1,529,998 an increase of €390,984 (or 34%) on the balance at the end of 2014. This represents a significant increase which GIAS attribute to increased scrutiny resulting in more cases being discovered. Repayment plans were in place for 47% of the cases of overpayments at the end of 2015. These cases are being pursued by the Recoupment Unit in HR & PD Directorate. It is likely that write-off for some of this debt will be required but every effort is being made to recoup as much of this amount as possible. Overpayments were found by Internal Audit to have occurred for four main reasons, namely;

1. late notifications regarding Deaths, the payment of pensions in advance contributes to the cause of overpayments in this area
2. late notifications regarding payroll adjustment events such as unpaid leave, allowances, sick leave and rates of pay
3. Incorrect points of scale
4. Social Welfare Benefit Retention. This refers to members who had social welfare payments paid directly to themselves when it should have been paid to An Garda Síochána.

GIAS are concerned that adequate human resources are not being provided to the Recoupment Unit.

4.3 Procurement

Continuous improvements in the procurement process were evident in 2015. However, GIAS found outstanding issues in regard to procurement in four Garda Divisions. Progress in this area should continue to be monitored.



4.5 Sick, Absence Management and Staff Resource Allocation.

During 2015, there was increased scrutiny of issues relating to absence management particularly in relation to long term sick leave cases and how employees are encouraged to return to full employment. As staff absences represent a major cost to the Garda Vote, this issue will continue to be reviewed by GIAS. Audit recommendations were also made in regard to more effective allocation of staffing resources and re-organisation of administrative functions to better fit our strategic and operational goals.

Conclusion

Improvements in the financial control environment were made in relation to guidelines for local management inspections, [REDACTED] at Garda Stations, [REDACTED] greater compliance with competitive procurement requirements, and control of overtime and allowances.

Given the number of outstanding audit recommendations and priority one issues identified in the audit process that remain to be addressed in relation to the management of property and evidence including drugs (see page 5). GIAS can provide limited assurance in regard to the effectiveness of the controls in relation to property and evidence in the possession of An Garda Síochána in 2015. It is encouraging however that this issue has been prioritised within the Strategic Transformation Agenda (TRUST). GIAS are advising the Strategic Transformation Office to ensure that the issues highlighted from the audit process in this area are adequately addressed within the specification for new systems and controls.

The Risk Management Unit has revised the risk management procedures during 2015 and a Deputy Commissioner was appointed as the Chief Risk Officer. This is moving towards more timely identification, reporting of and response to risks and facilitating consideration of current and emerging risks as well as risks that we have known about for some time. The risk management processes will continue to be reviewed by GIAS in 2016.

As Head of Internal Audit I am required by professional audit standards to highlight the significant risk exposure [REDACTED] nonetheless I can report that strategies are in place to ensure a continuous quality improvement in [REDACTED] and more generally in regard to the financial control framework. It is therefore not unreasonable for the Commissioner to sign the Statement of Internal Financial Control in relation to the Garda Vote in 2015.

Niall Kelly

Head of Internal Audit

24th March 2016

Appendix 1: Audit Reports Completed in 2015 and 1st Quarter 2016.

1. Report to the Commission in relation to Financial Controls in 2015
2. Audit Report Cork North Division
3. Review Audit Report Mayo Division
4. Joint Audit with Internal Audit Unit of the Department of Justice of the Irish Naturalisation and Immigration Service; Stamp 4 Process.
5. Audit Report Cavan Monaghan Division
6. Review Audit Report National Bureau of Criminal Investigation
7. Review Audit Laois Offaly Division
8. Review Audit Roscommon Longford Division
9. Audit of the Regional Support Unit Eastern Region
10. Audit of the Regional Support Unit South Eastern Region
11. Audit of Regional Support Unit Western Region
12. Audit of Regional Support Unit Northern Region
13. Audit of Regional Support Unit Southern Region

