



Audit Report

Budgetary Controls within An Garda Síochána

Date Issued: 30th August 2022



**GARDA
INTERNAL
AUDIT
SERVICE**

Table of Contents

1. Executive Summary	3
1.1 Summary of Findings	3
1.2 Audit Assurance Level	3
1.3 Acknowledgements and Limitations	3
2. Terms of Reference	4
2.1 Audit Objective	4
2.2 Audit Scope and Methodology	4
2.3 Reporting Arrangements	4
3. Detailed Findings and Recommendations	5
3.1 Costed Policing	5
3.2 Budgetary Policy and Procedures	6
3.3 Devolved Budgets	7
3.4 Budget Management Support	8
Appendices	9
Appendix I - Ranking of Findings	9

1. Executive Summary

Budget estimates for An Garda Síochána (AGS) are provided to the Department of Justice and forwarded to the Department of Public Expenditure and Reform. Annual budget provision is set through the Óireachtas. Budget management is a continuing challenge for the Garda Vote, with a frequent need for supplementary estimates largely driven by overtime, due in part to unforeseen events at the time of the estimates, such as state visits and emergency measures, e.g. the COVID-19 response.

AGS must meet service commitments regardless of funding capacity. This requires robust budgetary controls at all levels of the organisation. This audit examined the budgetary control systems used within Finance and Services and across the wider organisation.

1.1 Summary of Findings

The audit findings are detailed in the main body of this report; key findings are summarised below:

- AGS has produced an annual costing plan over the last few years, the methodology used does not provide a method of measuring the outcomes achieved.



- Overtime and travel and subsistence budgets are devolved to Divisions.
- While the Finance Directorate have staff with expertise in management accounting, they have few support personnel.

	Potentially Systemic	Applicable to Location Audited	Total
High	1	0	1
Medium	3	0	3
Low	0	0	0
Total	4	0	4

1.2 Audit Assurance Level

The overall assessment of the control environment is considered by the auditors to be 'Limited' due to the significance of the findings identified by the audit.

1.3 Acknowledgements and Limitations

Garda Internal Audit Service would like to acknowledge the support and assistance provided by the Finance Directorate.

The contents of this report should be considered in the context of the following:

- Findings are based on information provided by the Finance Directorate
- The findings and associated risks identified are not exhaustive and no assurance is provided that additional risks do not exist

2. Terms of Reference

2.1 Audit Objective

This audit assesses the adequacy, efficiency and effectiveness of budgetary control systems within AGS.

2.2 Audit Scope and Methodology

This audit focuses on strategic budgetary controls as well as roles, responsibilities, accountability, and data management. GIAS reviewed the Vote 20 budget and conducted interviews with key personnel in Finance & Services.

Out of scope:

European Union and all other non-Vote related income.

2.3 Reporting Arrangements

The audit report will issue to:

- Garda Commissioner
- Audit & Risk Committee
- Deputy Commissioner Strategy, Governance & Performance
- Chief Administrative Officer

3. Detailed Findings and Recommendations

Listed hereunder are all the key audit findings, implications and recommendations together with a time schedule for the implementation of the recommendations.

3.1 Costed Policing			High (S)
Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>In 2018 'A Policing Service for our Future' (APSFF) recommended that the Garda budget should be properly costed and that <i>"understanding how much is being spent on policing and what outcomes are being achieved should be an essential aim of political accountability"</i></p> <p>A November 2021 Spending Review sought to progress APSFF actions. While the Spending Review found that a number of police costing methodologies exist internationally, it did not find evidence of fully costed policing plans in other jurisdictions. The Review also found that AGS produced annual costing plans over the last few years, although the methodology used does not provide a method of measuring the outcomes achieved. The Spending Review recommended that relevant stakeholders should reach a clear consensus on the requirements and expectations of an annual costed policing plan.</p>	<p>Ineffective budgeting within AGS, due to a lack of adequate costing analysis, could potentially lead to a lack of funds to support the organisation in achieving planned goals and commitments.</p>	<p>1. Finance should put in place a plan, including a projected timeline, to describe how an appropriate costing methodology will be implemented within AGS.</p>	<p>Management Comment: Finance in collaboration with the Department of Justice and Department of Public Expenditure and Reform researched and co-authored the Spending Review <i>"Progressing and Development of a Costed Policing and Multi Annual Budgeting in An Garda Siochana"</i> as referenced in the findings. Finance continue to progress the recommendations within the Spending Review.</p> <p>Responsible Person: Head of Finance</p> <p>Implementation Date: Q4 2023</p>

3.2 Budgetary Policy and Procedures

3.2 Budgetary Policy and Procedures			Medium (S)
Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>██████████ ██████████ ██████████ ██████████</p> <p>Documentation to assist budget managers and their support staff is not readily available on the Garda Portal.</p>	<p>██████████ ██████████ ██████████ ██████████</p> <p>Unclear documented or defined consequences for breaching budgets assigned to budget managers leads to a lack of accountability.</p>	<p>2. The Garda Portal should be updated with budgetary guidelines to assist budget managers and their support staff.</p>	<p>Management Comment: It is agreed to update the Garda Portal with budgetary guidelines to assist budget managers and their support staff.</p> <p>Responsible Person: Head of Finance</p> <p>Implementation Date: Q1 2023</p>

3.3 Devolved Budgets				Medium (5)
Findings	Risk / Potential Implication	Recommendations	Management Comment	
<p>In 2018 ASPFF recommended that “Divisions should be self-sufficient administrative units, with their own devolved budgets . . . “. Presently the overtime and travel and subsistence budgets are devolved to Divisions with all other costs maintained in central budgets.</p>	<p>A lack of autonomy and accountability for Divisional budgets may lead to ineffective and inefficient expenditure decisions.</p>	<p>3. Finance and Services should put in place a plan, including a projected timeline, to describe how an appropriately devolved budgeting system will be implemented within AGS.</p>	<p>Management Comment: In the region of 3% of the AGS budget is held centrally. Excluding superannuation which is managed by the Department of Justice, all other budget lines are assigned to budget holders across various functions of AGS. Any change to the current structure of budget allocation is been considered in the context of the roll out of the operating model and functionality required within the financial system.</p> <p>Responsible Person: Head of Finance</p> <p>Implementation Date: Q4 2023</p>	

3.4 Budget Management Support			Medium (\$)
Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>On review of the Finance & Procurement organisation chart, GIAS noted there are few support personnel. This impacts on capacity to support both Finance & Procurement and budget decision-makers throughout the organisation.</p>	<p>A lack of skilled resources guiding budget managers increases the risk of budget overspend or ineffective budget management.</p>	<p>4. Finance & Procurement should consider its capacity to support budget managers in forecasting, managing and reporting budget information, and determine what level of organisational budgetary support it can provide.</p>	<p>Management Comment: Capacity within the Finance section was reviewed in 2021 and approval for additional resources sought. This approval was provided and HRPD are progressing recruitment of additional resources. This matter is therefore considered to be addressed by Finance and just awaiting recruitment and allocation of the approved staff. Responsible Person: Head of Finance Implementation Date: Implemented</p>

Appendices

Appendix I - Ranking of Findings

The main findings, control weaknesses noted or suggested areas for improvement are ranked as high, medium or low and are dealt with in order of priority in Section 3 - Detailed Findings and Recommendations.

The rankings used are described below:

High	Major issues that we consider need to be brought to the attention of senior management.
Medium	Important issues which should be addressed by management in their areas of responsibility.
Low	Detailed issues of a minor nature that can be resolved with limited time and effort.

Where recommendations may have systemic (national) implications, the rankings are shown as High (S), Medium (S) or Low (S).

Systemic audit recommendations arise from audit findings that identify control weaknesses of a material/significant nature which may, in the opinion of the auditors, be replicated elsewhere or which, although small in value at the location audited, may be replicated elsewhere in An Garda Síochána and may cumulatively be material to the An Garda Síochána.

