



Audit Report

Travel and Subsistence Payments, Garda College

Date Issued: 07/03/2022



**GARDA
INTERNAL
AUDIT
SERVICE**

Table of Contents

	Page
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 Objectives and Scope	4
2.2 Audit Approach and Methodology	4
2.3 Reporting Arrangements	4
3. Detailed Findings and Recommendations	5
Appendices	9
Appendix I – Ranking of Findings	9
Appendix II – Audit Assurance Levels	10
Appendix III – Garda College’s Calculation of T&S Comparison	11

1. Executive Summary

GIAS were requested by management to carry out this audit in order to provide assurance on controls and procedures for the claiming of travel and subsistence payments related to the Garda College.

Garda members must occasionally travel and work away from their normal work place in order to carry out certain functions. Travel and subsistence payments are payable on such occasions as per the Garda Síochána (Finance) Code.

1.1 Summary of Findings

The audit findings are detailed in the main body of this report and key findings are summarised below.

- Overnight allowances have been claimed which do not comply with section 4.4(3) of the Garda Finance Code in that no overnight was actually incurred.
- Garda management approved of the practice of claiming overnight allowances in lieu of claiming an overtime incurred.
- No evidence pre-approval was obtained for ten travel and subsistence claims examined for members who are not stationed at the Garda College.
- The audit identified examples of members not completing claim forms correctly while some forms have vague descriptions of the nature and location of the duty performed.

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, in particular the claiming of overnight payments when a night's absence was not involved.

	Potentially Systemic	Applicable to Location Audited	Total
High	1	0	1
Medium	0	0	0
Low	0	2	2
Total	1	2	3

1.3 Acknowledgements and Limitations

GIAS would like to thank the staff in the Garda College who partook in this audit.

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

- Findings are based on information provided by the administration office in the Garda College.
- The findings and associated risks identified are not exhaustive and no assurance is provided that additional risks do not exist.
- Findings are based on point in time review for the period January 2020 and April 2021.

2. Terms of Reference

2.1 Audit Objectives and Scope

The objective of this audit is to provide assurance to the Commissioner and local management concerning the adequacy, application and effectiveness of the system in relation to:

- Accuracy and legitimacy of payments made to staff in relation to travel and subsistence claims
- The authorisation and approval of travel and subsistence claims
- Compliance with the Garda Finance Code & HQ Directives

The audit sampled Travel & Subsistence forms and compared them with official log books from the Garda Cost Centre [REDACTED] during the periods January 2020 and April 2021.

2.2 Audit Approach and Methodology

GIAS audits use a risk-based approach including a level of compliance testing and substantive verification as part of the audit methodology, in accordance with the Standards for the Professional Practice of Internal Audit as set out by the Chartered Institute of Internal Auditors.

The audit considers any issues found as a result of the audit testing undertaken. It examines the levels of control that exist and offers an overall opinion on the effectiveness of the control systems, so as to provide the necessary assurance to management.

3. Detailed Findings and Recommendations

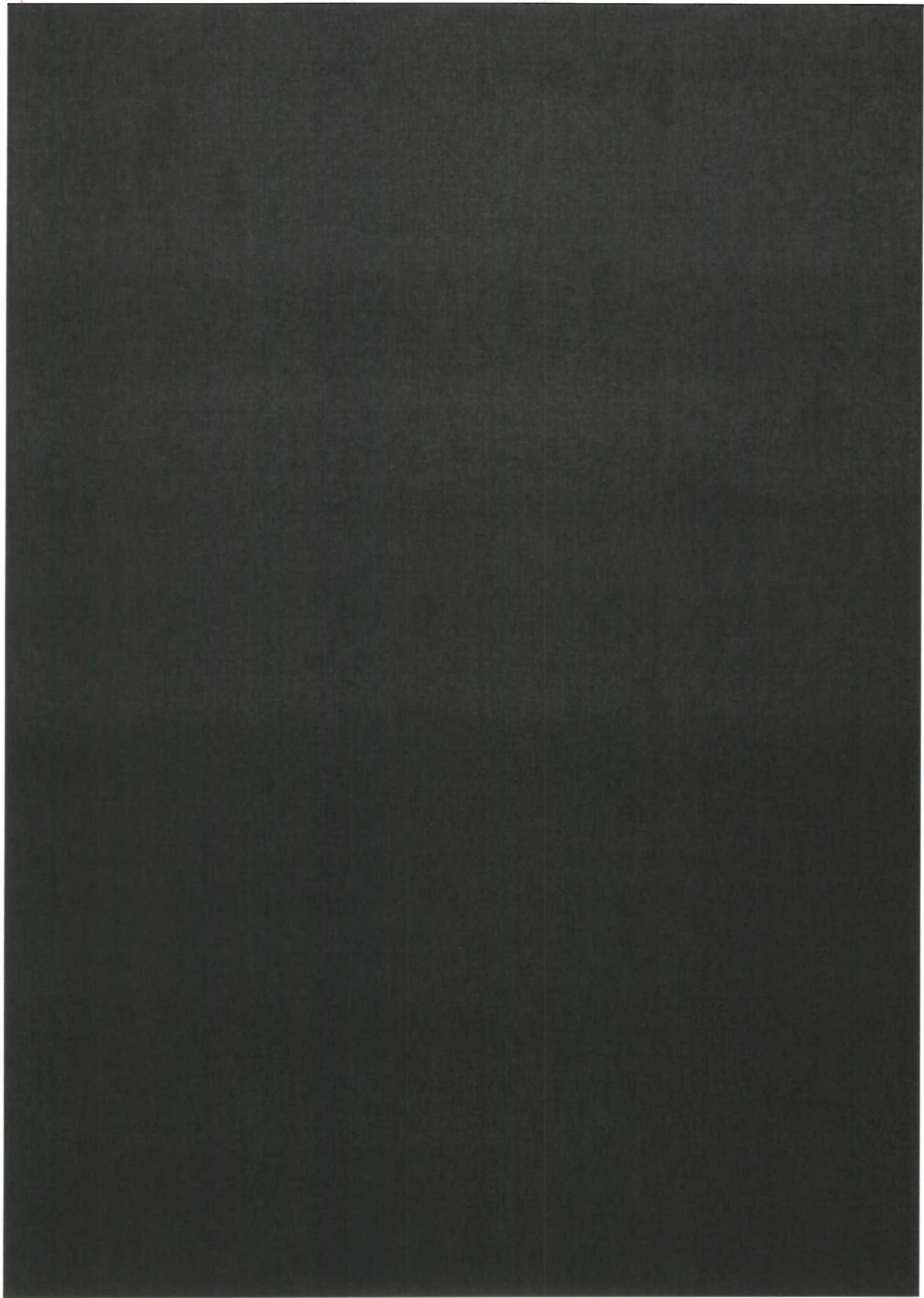
Listed hereunder are all the key audit findings, implications and recommendations together with a time schedule for the implementation of the recommendations.

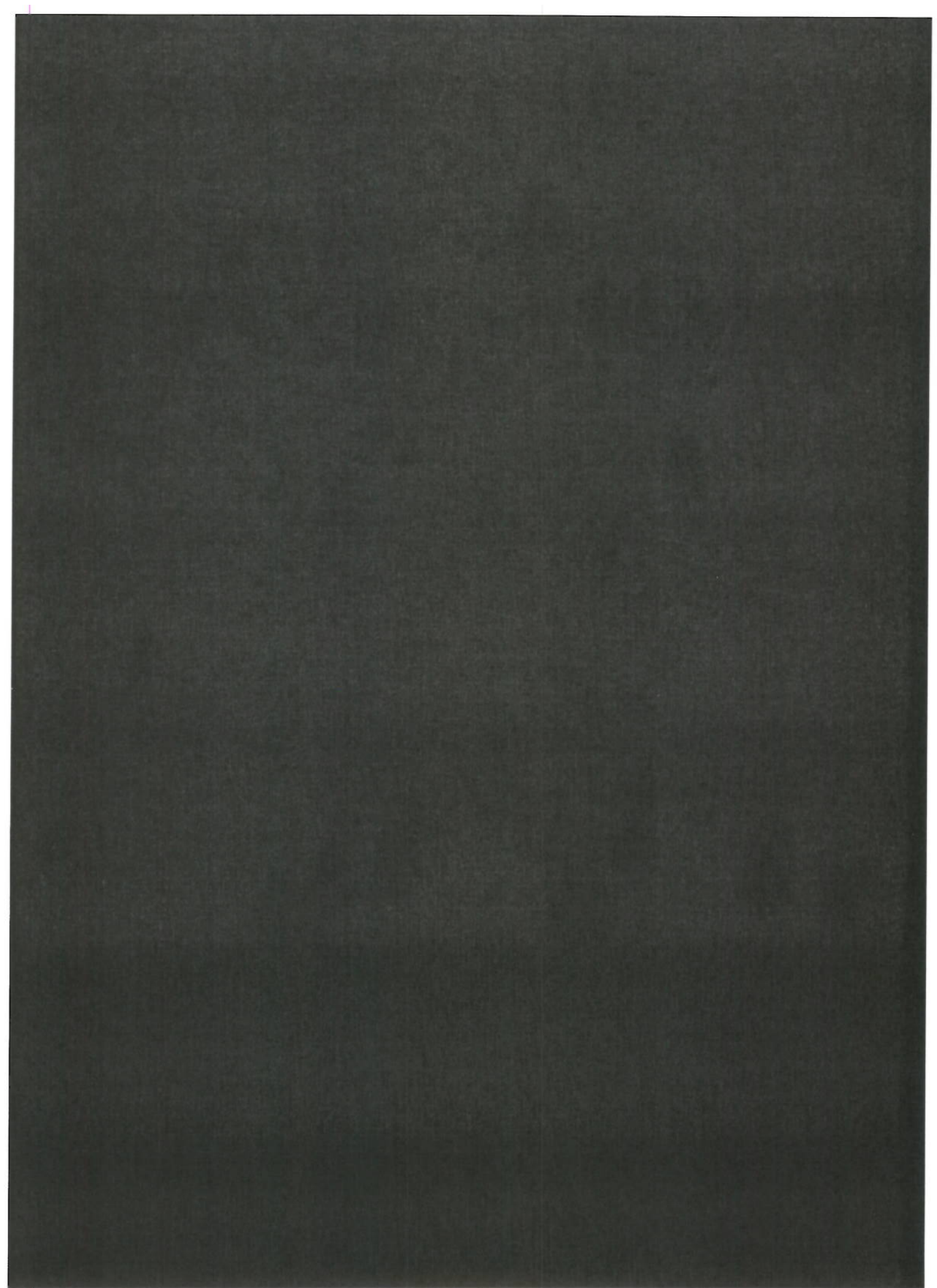
Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>1. Finding area: Overnight allowances</p> <p>Logs books were examined for 14 travel and subsistence claims in which an official vehicle was used by members. An overnight allowance was claimed in 12 of these claims even though the log books show the members did not stay overnight, but travelled to and from the destination each day in an official vehicle.</p> <p>These overnight allowance claims do not comply with section 4.4(3) in the Garda Finance Code which states: <i>“Provided that in the case of an absence of less than 24hrs, where the expense of lodging has not been incurred, the night rate of subsistence allowance will not be payable unless the absence was not less than 18 hours duration and covered the period 11pm to 4am”</i>.</p> <p>Management informed Internal Audit that a practice was adopted at Garda College that advocated the claiming of an overnight subsistence allowance rather than claiming any overtime incurred on the day of travel on the basis of it resulting in a saving to the organisation.</p>	<p>The overpayment of allowances caused by non-compliance with section 4.4(3) of the Garda Finance Code may result in a loss to AGS.</p> <p>Management sanctioning the completion of claim forms with incorrect information may lead to a breach of the Garda Code of Ethics’ commitment to be honest.</p> <p>Management sanctioning of employees claiming allowances that are tax-free when the correct claim would be for taxable overtime may result in an underpayment of tax by both the employee and the organisation.</p> <p>Management sanctioning employees claiming allowances when the correct classification of the expenditure is that of overtime may result in expenditure not being classified correctly in the Appropriation Accounts and have a budgetary impact when relying on analysis of expenditure types.</p>	<p>1. The discrepancies identified at audit should be corrected and any overpayments should be recouped.</p> <p>2. The current practice of approving overnight claims as identified in this finding should cease. All travel and subsistence claims must be in accordance with the Garda Finance Code.</p>	<p>High (S)</p> <p>Management Comment:</p> <p>Further information is required by management prior to strict acceptance of Recommendation 1.</p> <p>It is noted that the specific amounts of any overpayments (of allowances) and/or underpayments (of overtime) will need to be quantified in order to be recouped as recommended.</p> <p>The assistance of the GIAS is requested in assessing a comparative analysis prepared by the Garda College (see Appendix III – Garda College’s Calculation of T&S Comparison) concerning the relevant claims, which would appear to suggest technical underpayments of between 30-70% occurring.</p> <p>Recommendation 2. is accepted by management and has been adopted.</p> <p>This practice has now ceased in favour of daily travel to training delivery centres.</p> <p>The following rationale is provided for the practice identified, which had advocated the claiming of 24-hour absence subsistence allowance rather than the overtime associated with daily travel –</p> <p>Training in An Garda Síochána was suspended during the financial recession over a decade ago. On the resumption of training in 2009/10, a practice was</p>

Findings	Risk / Potential Implication	Recommendations	Management Comment
		<p>3. Staff training may be required to reduce the risk of non – compliance occurring in the future.</p> <p>4. All staff at the Garda College should be reminded of the declaration being signed on form FMS2.</p>	<p>endorsed within the then Garda College, and believed to be within the ethos of the Garda Síochána Finance Code, and the Organisation generally in relation to fiscal prudence, which advocated that all expenses incurred as a result of delivering training at centres away from the Garda College be kept to a minimum.</p> <p>A review of the past practice by the new college management team, [REDACTED]</p> <p>[REDACTED] it did not comply with Regulation 5 (10) of the Garda Síochána Allowances (Consolidation) Order 1965 and its restated appearance at Section 4.4 (11) of the Garda Finance Code, i.e. while instructors were away from the Garda College for a number of days at a time delivering training, a period of time they may have spent at their home each night was not excluded from the 24 hour absence period. [REDACTED]</p> <p>[REDACTED] the Garda College management team carried out an examination of the issue and reported the findings, which identified the issue to the Executive Director HRPD.</p> <p>Recommendations 3. and 4. are accepted by management and have been adopted.</p> <p>Following receipt of the first draft Audit report on the 6th September 2021 an instruction was issued by Senior Management on the 13th September 2021 regarding financial governance in relation to Overtime and T&S.</p>

Findings	Risk / Potential Implication	Recommendations	Management Comment
		<p>5. A review of the tax impact of the practice should be undertaken with the Revenue Commissioners being informed as appropriate.</p> <p>6. A review of the possible impact of the practice on the Appropriation Accounts should be undertaken with the Office of the Comptroller and Auditor General being informed as appropriate.</p>	<p>Further information is required by management prior to strict acceptance of Recommendation 5.</p> <p>It is noted that any material change required, should a potential tax liability emerge, will be dependent on the requested quantification by the GIAS of the overpayment/underpayment issue, in the first instance.</p> <p>Further information is required by management prior to strict acceptance of Recommendation 6.</p> <p>It is noted that consideration of any necessary, and feasible, material change which may be required to the Appropriation Accounts, will be dependent on the requested quantification by the GIAS of the overpayment/underpayment issue, in the first instance.</p> <p>Responsible Person:</p> <p>Recommendations 2., 3. and 4. – Chief Superintendent/Principal Officer, Garda College</p> <p>Recommendations 1., 5., and 6. – Executive Director HRPD/Chief Administrative Officer</p> <p>Implementation Date:</p> <p>Recommendations 2., 3. and 4. – Completed 13th September 2021</p> <p>Recommendations 1., 5., and 6. – To be confirmed (pending further review by GIAS)</p>

Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>2. Finding area: Pre-approval</p> <p>There is no evidence that pre-approval was obtained for ten travel and subsistence claims examined for members who are not stationed at the Garda College. It is acknowledged that pre-approval was obtained for members stationed at the Garda College.</p>	<p>The overpayment of allowances caused by non-compliance with local Garda College procedures may result in a loss to AGS.</p>	<p>7. Members should apply for pre-approval of travel and subsistence claims.</p>	<p>Low</p> <p>Management Comment:</p> <p>Recommendation 7. is accepted by management and has been adopted.</p> <p>Following receipt of the first draft Audit report on the 6th September 2021 an instruction was issued by Senior Management on the 13th September 2021 regarding financial governance in relation to Overtime and T&S.</p> <p>Responsible Person: Superintendents Garda College</p> <p>Implementation Date: 13th September 2021</p>
<p>3. Finding area: Claim forms are completed correctly</p>			
<p>The audit identified examples of members not completing claim forms correctly while some forms have vague descriptions of the nature and location of the duty performed.</p>	<p>The overpayment of allowances caused by incorrectly completed forms may result in a loss to AGS.</p>	<p>8. Members should be reminded that travel and subsistence claims must be completed correctly i.e. state the exact nature and location of duty performed.</p> <p>9. When approving travel and subsistence claims, Garda College management should ensure that details are sufficiently detailed, correct and each item of expense was necessarily incurred prior to signing.</p>	<p>Low</p> <p>Management Comment:</p> <p>Recommendations 8. and 9. are accepted by management and have been adopted.</p> <p>Following receipt of the first draft Audit report on the 6th September 2021 an instruction was issued by Senior Management on the 13th September 2021 regarding financial governance in relation to Overtime and T&S.</p> <p>Responsible Person: Superintendents Garda College</p> <p>Implementation Date: 13th September 2021</p>





Total T&S/OT actually paid	Breakdown of potential payable details	Total potential payable amount	Amount saved	% Diff
€430.76	4 x return trips (1.5 each way x 8) = 12 hours OT (12 x €40 =€480) 4 x 8 hours sub (21.86 x 4) = €87.44	€567.44	€136.68	32%
€430.76	4 x return trips (1.5 each way x 8) = 12 hours OT (12 x €40 =€480) 4 x 8 hours sub (21.86 x 4) = €87.44	€567.44	€136.68	32%
€430.76	4 x return trips (1.5 each way x 8) = 12 hours OT (12 x €40 =€480) 4 x 8 hours sub (21.86 x 4) = €87.44	€567.44	€136.68	32%
€430.76	4 x return trips (1.5 each way x 8) = 12 hours OT (12 x €40 =€480) 4 x 8 hours sub (21.86 x 4) = €87.44	€567.44	€136.68	32%
€430.76	4 x return trips (1.5 each way x 8) = 12 hours OT (12 x €40 =€480) 4 x 8 hours sub (21.86 x 4) = €87.44	€567.44	€136.68	32%
€430.76	4 x return trips (1.5 each way x 8) = 12 hours OT (12 x €40 =€480) 4 x 8 hours sub (21.86 x 4) = €87.44	€567.44	€136.68	32%
€430.76	2 x 1.50 travel time (3 hours x 10 x €40 = €1200) 10 * 21.86 sub rate (218.60) 5 x return trips (2 x 2hours (4 hours per day) = 20 hours OT) =€800 5 x €31.99 = €159.95	€1,418.60	€557.08	65%
€452.62	4 X Return trips (2.5 hours ea. way x 2 = 5 hours OT per day) = 20 hours OT (20 x €40 = €800) 4 x 12hr sub (31.99 x 4) = €127.96	€959.95	€507.33	112%
€538.45		€927.96	€389.51	72%

	8 days x 3 hours overtime per day for travel (24 x €40 hours = €960) 8 days x 8 hour sub per day (8 x €21.86 = €174.88) Official Vehicle used no				
€861.52	travel payable	€1,134.88	€273.36	32%	
	5 days x 3 hours overtime per day for travel (15 x €40 hours = €600) 5 days x 8 hour sub per day (5 x €21.86 = €109.30) Official Vehicle used no				
€430.76	travel payable	€709.30	€278.54	65%	
€6,160.19		€9,122.77	€2,962.58	48%	