

Exchequer Funding of Political Parties in 2016

*Report to the Chairman of Dáil Éireann pursuant
to section 4(1) of the Electoral Act 1997*



Coimisiún um Chaighdeán in Oifigí Poiblí
Standards in Public Office Commission

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June 2017

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Foreword

I am pleased to furnish this report to the Ceann Comhairle in accordance with section 4(1) of the Electoral Act 1997, as amended. The report concerns annual Statements of Expenditure of Exchequer Funding and related Public Auditors' Reports, in respect of 2016, furnished to the Standards in Public Office Commission by qualified political parties pursuant to section 20 of the Act.



Justice Daniel O'Keeffe
Chairperson
Standards in Public Office Commission
June 2017

Chapter 1 Introduction

This report concerns Statements of Expenditure of Exchequer Funding and related Public Auditors' Reports (referred here jointly as the statements), in respect of 2016, which were furnished to the Commission by qualified political parties, pursuant to section 20 of the Electoral Act 1997, as amended (the Act).

Section 4(1) of the Act requires the Standards Commission to consider every such statement furnished to it and, where it considers it appropriate to do so, to furnish a report in writing to the Chairman of Dáil Éireann (Ceann Comhairle) on any matter arising.

In order to qualify for funding under the Act, a political party must be included in the Register of Political Parties and must have obtained at least 2% of the first preference votes at the last Dáil general election. Based on the results of the Dáil general election held on 26 February 2016 eight political parties qualified for Exchequer funding under the Act. As was the case last year, Fianna Fáil, Fine Gael, the Labour Party and Sinn Féin were included. New in 2016 were Anti-Austerity Alliance – People Before Profit, the Green Party, Renua and Social Democrats.

Each qualified political party is paid annually:

- a) a flat rate amount of €126,974 and
- b) a share of an annual sum which was set in 2001 at €3,809,214 and which increased in line with general pay increases in the civil service.

There were no increases or decreases applied to the fund in 2016. The fund stood at €4,944,812 at 31 December 2016. This sum plus the flat rate amount for each qualifying political party at (a) above was available for distribution in 2016. The share of the fund payable to a qualified political party is determined by expressing the first preference votes of the qualified party as a percentage of the total first preference votes received by all qualified political parties.

Details of the payments made to the qualifying political parties in respect of 2016 are shown in Table 1 of the Appendix.

Chapter 2 Purposes for which the Exchequer funding is provided

In accordance with Section 18 of the Act, Exchequer funds received by qualified parties must be applied to:

" ... the general conduct and management of the party's affairs and the lawful pursuit by it of any of its objectives and, without prejudice to the generality of the foregoing, any or all of the following purposes, namely -

- (i) the general administration of the party,*
- (ii) research, education and training,*
- (iii) policy formulation, and*
- (iv) the co-ordination of the activities of the branches and members of the party."*

The funding received under the Act can also be used for the promotion of participation by women and young persons in political activity.

The funding received may not be applied to, or used to recoup, election or referendum expenses. The Commission requires appropriate officers to state on their statement if the funding had been used for election or referendum purposes. Each of the eight appropriate officers has stated that the funding was not used in 2016 for such purposes.

Apart from prohibitions on the use of the funding in relation to election or referendum expenses, the Act is very general in its specification of how the funding may be applied. The Commission reiterates the concern it raised in last year's report that the Act does not make any reference to capital or current expenditure and does not specify whether the expenditure of the funding received should be in respect of capital or current spending. The Commission is of the view that there is a need for greater clarity in this regard.

Chapter 3 Furnishing of Statements of Expenditure of Exchequer Funding and the related Auditors' Reports

Section 20 of the Act provides that the appropriate officer of each qualified party must furnish to the Commission a statement stating that funding received in respect of the preceding year was applied to some or all of the purposes referred to in section 18, and indicating the actual matters to which the funding was applied, including the amounts applied to the promotion of participation by women and young persons in political activity. The statement must be audited by a public auditor and a copy of the auditor's report must be furnished to the Commission with the statement.

Section 19(4) of the Act provides that no payment shall be made to a qualified party after 30 April in any year unless and until -

- (i) the party has furnished to the Commission a Statement of Expenditure of Exchequer Funding and the related Public Auditors' Report and a Donation Statement and Statutory Declaration (required under section 24(1)(b) of the Act), and,
- (ii) the Commission has furnished a copy of these statements to the Minister for Public Expenditure and Reform and has certified that they have been completed in accordance with the relevant provisions of the legislation and guidelines published by the Standards Commission.

Table 2 of the Appendix shows the breakdown of expenditure provided by the parties under the headings set out in section 18 of the Act.

Chapter 4 Publication of Statements of Expenditure of Exchequer Funding

As provided for in section 19(4) of the Act, the Commission has now furnished to the Minister for Public Expenditure and Reform a copy of the Statements of Expenditure of Exchequer Funding and the related Public Auditors' Reports which have been received from each of the qualified political parties in respect of 2016. The Commission has certified to the Minister that these statements have been completed in accordance with guidelines issued by the Commission and that they comply with the relevant provisions of the Act.

In accordance with section 20(3) of the Act, the Commission has today laid the statements furnished by qualified political parties before each House of the Oireachtas.

In accordance with Section 73 of the Act, the Standards Commission has made the statements furnished to it available to the public for inspection and copying at its offices on 18 Lower Leeson Street, Dublin 2. The information contained in the documents is also available at www.sipo.ie.

APPENDIX

Table 1 *Details of funding received by qualified political parties in 2016*

Qualified Political Parties	Total funding received for 2016	Amount of funding brought forward from 2015	Overall total funding available for spending for 2016	Total Expenditure of funding for 2016	Balance of funding carried forward to 2017
AAA/PBP	308,317	NIL	308,317	122,320	185,997
Fianna Fáil	1,526,788	NIL	1,526,788	1,504,558	22,230
Fine Gael	1,757,016	183,502	1,940,518	1,751,319	189,199
Green Party	245,950	NIL	245,950	151,241	94,709
Labour Party	641,430	1,153,134	1,794,564	1,206,534	588,030
Renua	218,744	NIL	218,744	114,641	104,103
Sinn Féin	923,139	240,337	1,163,476	862,154	301,322
Social Democrats	260,600	NIL	260,600	97,241	163,359
Total	5,881,984	1,576,973	7,458,957	5,810,008	1,648,949

Table 2 *Details of spending provided by political parties of Exchequer funding received under the Act for 2016*

Qualified Political Parties	General Administration	Research, Education & Training	Policy Formulation	Co-ordination of Branches & Members	Participation by Women	Youth Participation	Total
AAA/PBP	98,165	1,085	1,750	21,320	NIL	NIL	122,320
Fianna Fáil	1,056,079	91,007	60,000	217,842	44,971	34,659	1,504,558
Fine Gael	1,205,579	12,517	73,911	333,081	75,195	51,036	1,751,319
Green Party	141,656	NIL	NIL	9,265	NIL	320	151,241
Labour Party	1,004,895	NIL	128,698	NIL	14,678	58,263	1,206,534
Renua	65,395	NIL	22,509	26,737	NIL	NIL	114,641
Sinn Féin	432,062	43,784	37,194	269,759	40,703	38,652	862,154
Social Democrats	64,341	NIL	31,536	1,364	NIL	NIL	97,241
Total	4,068,172	148,393	355,598	879,368	175,547	182,930	5,810,008