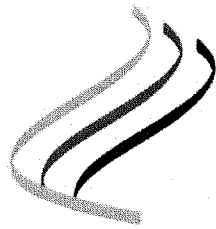


**Exchequer Funding of political parties
in 2015
under the electoral legislation**

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



Coimisiún um Chaighdeán in Oifigí Poiblí
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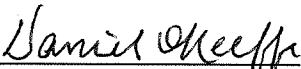
June 2016

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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 Act). The report concerns annual Statements of Expenditure of Exchequer Funding and the related Public Auditors' Reports (the statements), in respect of 2015, furnished to the Standards in Public Office Commission (the Commission) by qualified political parties pursuant to section 20 of the Act.


Justice Daniel O'Keefe
Chairman

June 2016

Chapter 1 Introduction

This report concerns the Statements of Expenditure of Exchequer Funding and the related Public Auditors' Reports (the statements), in respect of 2015, which were furnished to the Commission by qualified political parties, pursuant to section 20 of 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 Electoral Acts, 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. Funding was paid to four qualified parties (Fianna Fáil, Fine Gael, Sinn Féin and The Labour Party) during 2015 on the basis of the results of the 25 February 2011 Dáil general election.

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 2015. The fund stood at €4,948,202 at 31 December 2015. This sum plus the flat rate amount for each qualifying political party at (a) above was available for distribution in 2015. 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 2015 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, the 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 is also deemed in the Act to include provision in respect of expenditure by qualified parties in relation to the promotion of participation by women and young persons in political activity.

The funding received may not be applied to, or 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 four appropriate officers has stated that the funding was not used in 2015 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 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 2015. 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 2015*

Qualified Political Parties	Fianna Fáil	Fine Gael	Labour Party	Sinn Féin	Total
	€000	€000	€000	€000	€000
Total funding received for 2015	1,168	2,281	1,287	720	5,456
Amount of funding brought forward from 2014	Nil	945	1,459	303	2,707
Overall total funding available for spending for 2015	1,168	3,226	2,746	1,023	8,163
Total expenditure of funding for 2015	1,168	3,042	1,593	783	6,586
Balance of funding carried forward to 2016	NIL	184	1,153	240	1,577

Table 2 *Details of spending provided by political parties of Exchequer funding received under the Act for 2015*

Qualified Political Parties	Fianna Fáil	Fine Gael	Labour Party	Sinn Féin	Total
	€000	€000	€000	€000	€000
General Administration	879	2,140	1,280	404	4,703
Research, Education & Training	52	-	-	25	77
Policy Formulation	55	-	182	65	302
Co-ordination of Branches & Members	127	736	18	191	1,072
Participation by Women	26	76	60	55	217
Youth Participation	29	90	53	43	215
Total spent	1,168	3,042	1,593	783	6,586