

Exchequer Funding of Political Parties

in 2017

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



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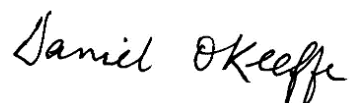
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Foreword

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 2017, furnished to the Standards in Public Office Commission by qualified political parties pursuant to section 20 of the Act.



Justice Daniel O'Keefe
Chairperson
Standards in Public Office Commission
July 2018

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 2017, which were furnished to the Commission by qualified political parties.

The Standards Commission will consider every such statement furnished to it and, where it considers it appropriate to do so, 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 in 2016, eight political parties qualified for Exchequer funding under the Act in 2017: Fianna Fáil, Fine Gael, the Green Party, the Labour Party, Renua, Sinn Féin, Social Democrats and Solidarity – People Before Profit.

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.

The 2017 fund including the flat rate amount stood at €5,963,992. 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 2017 are shown in Table 1 of the Appendix.

Chapter 2: Purposes for which Exchequer funding is provided

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 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 2017 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 has raised in previous reports on Exchequer Funding by political parties 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 related Auditors' Reports

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.

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

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 2017. 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.

The Commission has today laid the statements furnished by qualified political parties before each House of the Oireachtas.

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: Funding and expenditure details

Table 1 Details of funding received by qualified political parties in 2017

Qualified Political Parties	Total funding received for 2017	Amount of funding brought forward from 2016	Overall total funding available for spending for 2017	Total expenditure of funding for 2017	Balance of funding carried forward to 2018
Fianna Fáil	1,593,126	22,230	1,615,356	1,244,462	370,894
Fine Gael	1,663,390	189,199	1,852,589	1,270,180	582,409
Green Party	290,759	94,709	385,468	278,285	107,183
Labour Party	524,809	588,030	1,112,839	682,857	429,982
RENUA Ireland	258,596	104,103	362,699	255,240	107,459
Sinn Féin	960,746	301,322	1,262,068	1,018,822	243,246
Social Democrats	308,078	163,359	471,437	367,834	103,603
Solidarity/People Before Profit	364,487	185,996	550,484	418,901	131,582
Total	5,963,992	1,648,949	7,612,941	5,536,581	2,076,359

* Totals may be inconsistent due to rounding

Table 2 Details of spending provided by political parties of Exchequer funding received under the Act for 2017

Qualified Political Parties	General Administration	Research, Education & Training	Policy Formulation	Co-ordination of Branches & Members	Participation by Women	Youth Participation	Total
Fianna Fáil	816,383	170,532	65,000	131,273	46,609	14,665	1,244,462
Fine Gael	1,031,016	9,214	3,339	130,725	50,098	45,788	1,270,180
Green Party	244,719	—	—	32,054	389	1,123	278,285
Labour Party	548,960	—	88,615	—	22,641	22,641	682,857
RENUA Ireland	88,618	41,016	65,444	60,162	—	—	255,240
Sinn Féin	687,393	16,300	108,041	178,396	14,569	14,123	1,018,822
Social Democrats	265,352	10,144	10,855	78,124	—	3,359	367,834
Solidarity/People Before Profit	54,757	10,647	38,196	314,816	93	392	418,901
Total	3,737,199	257,853	379,490	925,550	134,399	102,091	5,536,581

* Totals may be inconsistent due to rounding