



**Oifig an
Rialaitheora Pleanála**
Office of the
Planning Regulator

OFFICE OF THE PLANNING REGULATOR

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

OFFICE OF THE PLANNING REGULATOR

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OFFICE OF THE PLANNING REGULATOR

GENERAL INFORMATION

Head Office	Office of the Planning Regulator, Fourth Floor (West Wing), Park House. Grangegorman, 191-193A North Circular Road, Dublin 7, D07 EWV4
Senior Management Team	Niall Cussen - Chief Executive and Planning Regulator Anne Marie O'Connor – Deputy Planning Regulator and Director of Plans Evaluations Gary Ryan - Director of Planning Reviews and Examinations Joanna McBride - Director of Research, Training and Corporate Services
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OFFICE OF THE PLANNING REGULATOR
CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL



Ard Reachtaire Cuntas agus Ciste
Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Office of the Planning Regulator

Opinion on the financial statements

I have audited the financial statements of the Office of the Planning Regulator for the year ended 31 December 2021 as required under the provisions of section 31AG of the Planning and Development Act 2000 (inserted by section 4 of the Planning and Development (Amendment) Act 2018). The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Office of the Planning Regulator at 31 December 2021 and of its income and expenditure for 2021 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Office of the Planning Regulator and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Office of the Planning Regulator has presented certain other information together with the financial statements. This comprises the governance statement and Planning Regulator's report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Colette Drinan
For and on behalf of the
Comptroller and Auditor General

19 May 2022

Appendix to the report

Responsibilities of the Office of the Planning Regulator and of the Planning Regulator

The governance statement and planning regulator's report sets out the respective responsibilities of the Office and of the Planning Regulator. The Office is responsible for

- the preparation of annual financial statements in the form prescribed under section 31AG of the Planning and Development Act 2000 (inserted by section 4 of the Planning and Development (Amendment) Act 2018)

The Planning Regulator is responsible for

- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 31AG of the Planning and Development Act 2000 (inserted by section 4 of the Planning and Development (Amendment) Act 2018) to audit the financial statements of the Office of the Planning Regulator and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office of the Planning Regulator's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Office of the Planning Regulator to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

OFFICE OF THE PLANNING REGULATOR

GOVERNANCE STATEMENT AND PLANNING REGULATOR'S REPORT

Governance

The Office of the Planning Regulator ('OPR') was established in April 2019 on foot of recommendations made by the Tribunal of Inquiry into Certain Planning Matters and Payments (the Mahon Tribunal) which was established by the Dáil in 1997. In performing its functions, the OPR takes into account the objective of contributing to proper planning and sustainable development and the optimal functioning of planning under the Planning and Development Act 2000, as amended ('the Act'). Section 31P of the Act gives the OPR a statutory basis to carry out three main functions:

- Independent assessment of all local authority and regional assembly forward planning, including development plans, local area plans, regional spatial and economic strategies;
- Examination of the systems and procedures used by any planning authority, including An Bord Pleanála, in the performance of any of their planning functions; and
- Driving national research, training, education and public information programmes.

The Planning Regulator is accountable to the Minister for Housing, Local Government and Heritage and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the OPR is the responsibility of the Planning Regulator and the senior management team.

OPR's Responsibilities

The OPR is responsible for assessment of all local authority and regional assembly forward planning, including zoning decisions. The OPR also ensures that planning authorities are operating with the highest standards of integrity and best practice, giving the public confidence that important planning decisions are taken in line with national policy. The OPR has the power to review the organisation, systems and procedures used by any planning authority or An Bord Pleanála.

The OPR also has the power to advise the Minister on whether a plan made by a local authority conflicts with national planning policy and to recommend that the Minister make directions where any plan is not in compliance with national policy. Additionally, the OPR drives national research, education and public information programmes to highlight the role and benefit of planning.

In preparing these Financial Statements, the OPR is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.

The OPR is responsible for keeping adequate accounting records, which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the Financial Statements comply with Section 31AG of the Act. The maintenance and integrity of the corporate and financial information on the OPR's website is the responsibility of the Planning Regulator.

The OPR is responsible for approving the annual plan and budget. An evaluation of the performance of the OPR by reference to the annual plan and budget was carried out. The OPR is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Planning Regulator considers that the Financial Statements of the OPR give a true and fair view of the financial performance and the financial position of the OPR at 31 December 2021.

OFFICE OF THE PLANNING REGULATOR

GOVERNANCE STATEMENT AND PLANNING REGULATOR'S REPORT

Section 31AL of the Act requires the OPR to adopt a Code of Conduct for dealing with conflicts of interest and promoting public confidence in the integrity of the conduct of its business. The Code of Conduct adopted by the OPR is available on its website. The provisions of the Code of Conduct also align with the requirements of the Code of Practice for the Governance of State Bodies.

Regulator's Structure

Mr. Niall Cussen was appointed in April 2019 by the Minister for Housing, Local Government and Heritage, as the Planning Regulator and Chief Executive of the OPR. Mr. Cussen's appointment was recommended by Government following an open recruitment process conducted by the Public Appointments Service.

The OPR is funded under subhead D.5. of the Department of Housing, Local Government and Heritage Vote 34.

The OPR has established a Finance, Audit and Risk Committee. The role of the Finance, Audit and Risk Committee (FARC) is to support the Planning Regulator in relation to his responsibilities for issues of related controls, corporate governance and associated assurance. Members of the Committee were appointed, and the Committee was established in January 2020. The FARC met 4 times in 2021.

Members of the Committee are:-

External Members:

Pat Macken (Chairperson)

Lorraine O'Donoghue

Breda Coss (Appointed on 10 June 2021)

Executive Members:

Joanna McBride, Director of Research, Training and Corporate Services

Gary Ryan, Director of Reviews and Examinations

Valerie Halpin – Secretary to the Committee

OFFICE OF THE PLANNING REGULATOR

GOVERNANCE STATEMENT AND PLANNING REGULATOR'S REPORT

Schedule of Attendance, Fees and Expenses

No fee was paid to FARC members during the period of 2021. Expenses incurred and claimed by FARC members during the year included travel and subsistence amounted to €Nil. The following is the schedule of meetings held by the FARC during 2021.

Attendance	Meeting dates				Expenses
	25 Feb 2021	10 Jun 2021	13 Oct 2021	13 Dec 2021	
Pat Macken	√	X	√	√	-
Lorraine O'Donoghue	√	√	√	√	-
Joanna McBride	√	√	√	√	-
Gary Ryan	√	√	√	X	-
Breda Coss	N/A	N/A	√	√	-

Key Personnel Changes

There were no Key Personnel Changes during 2021.

Disclosures Required by the Code of Practice for the Governance of State Bodies (2016)

The Planning Regulator is responsible for ensuring that the OPR has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits

Range of total employee benefits		Number of Employees	
From	To	2021	2020
€60,000	- €69,999	1	2
€70,000	- €79,999	3	1
€80,000	- €89,999	4	6
€90,000	- €99,999	2	-
€100,000	- €109,999	-	-
€110,000	- €119,999	1	-
€120,000	- €129,999	-	-
€130,000	- €139,999	-	1
€140,000	- €149,999	1	-
€150,000	- €159,999	-	-

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

OFFICE OF THE PLANNING REGULATOR

GOVERNANCE STATEMENT AND PLANNING REGULATOR'S REPORT

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2021	2020
	€	€
Legal fees	301,415	55,185
Public relations/communications	-	6,328
Professional planning services	144,558	11,858
Other – health and safety services, procurement services	8,423	9,907
Total consultancy costs	454,396	83,278
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	454,396	83,278
Total	454,396	83,278

Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the OPR, which is disclosed in Consultancy costs above.

	2021	2020
	€	€
Legal fees - legal proceedings	111,648	-
Conciliation and arbitration payments	-	-
Settlements	-	-
Total	111,648	-

Travel and Subsistence Expenditure

Travel and subsistence expenditure are categorised as follows:

	2021	2020
	€	€
Domestic		
- Committee Members	-	108
- Employees	3,706	3,722
International		
- Committee Member	-	-
- Employees	-	-
Total	3,706	3,830

OFFICE OF THE PLANNING REGULATOR
GOVERNANCE STATEMENT AND PLANNING REGULATOR'S REPORT

Hospitality Expenditure

During 2021, there was no hospitality expense incurred by the OPR.

Statement of Compliance

The OPR has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016, with the following exceptions:

- Provisions in relation to role of the Board, role of the Chairperson and role of Board members: The stewardship structure of the OPR is atypical. There is no Board structure. The Planning Regulator undertakes the collective role of a Board. Therefore, in addition to performing his duties as a Board, the Planning Regulator also performs executive functions.



Niall Cussen
Chief Executive and Planning Regulator

Date: 17 May 2022

OFFICE OF THE PLANNING REGULATOR

STATEMENT ON INTERNAL CONTROL

Responsibility for System of Internal Control

As Chief Executive, I acknowledge my responsibility for ensuring that an effective system of internal control is maintained and operated by the OPR.

This responsibility is exercised in the context of the resources available to me and my other obligations as Head of Office. Also, any system of internal control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared Services

Upon establishment of the OPR in April 2019, an interim arrangement was put in place whereby transactional processing of payroll for OPR staff was carried out by the Department of Housing, Local Government and Heritage through the National Shared Services Office. This arrangement remained in place in 2021.

Financial Control Environment

I confirm that a control environment containing the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- The Finance, Audit and Risk Committee has been established to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Impact of Covid-19 pandemic on the Control Environment

Following the onset of the Covid-19 pandemic in early 2020, the OPR implemented a range of appropriate control measures to mitigate risks relating to the pandemic. These control measures continued to be in place in 2021 and were closely monitored, including mitigation of risks that may affect the OPR's business operations, staff and stakeholders. Controls and actions remaining in place in 2021 included: -

- Business as Usual (BAU) model and continuation of a remote working environment where most business processes continued as normal.
- Continuous assessment of significant risks pertaining to the Covid-19 pandemic and the agility of OPR to respond effectively.
- Ensuring robust segregation of duties and adequate cover remained in place, should specific approving authorities be unavailable.
- Ensuring all existing data protection and records management policies and procedures continued to apply in the remote working environment and were monitored and reported on as normal.

OFFICE OF THE PLANNING REGULATOR

STATEMENT ON INTERNAL CONTROL

- Ensuring that staff members access the OPR's network using OPR's approved ICT equipment and that all staff members working remotely have been equipped with the necessary ICT equipment.
- Assessment of potential for weaknesses in internal controls resulting from Covid-19 and taking measures to monitor and update internal controls where necessary.

Administrative Controls and Management Reporting

I confirm that a framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability. This includes the following elements:

- There is an appropriate budgeting system with an annual budget, which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports, which indicate financial performance against forecasts.
- A risk management system operates within the OPR.
- There are systems aimed at ensuring the security of the ICT systems.
- There are appropriate capital investment control guidelines and formal project management disciplines.
- The OPR ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

Internal Audit and Audit Committee

On 1 January 2020 the OPR fully established a Finance, Audit and Risk Committee. The OPR has instituted an internal audit function with appropriately trained personnel, which operates in accordance with a written charter that is approved by me and my Finance, Audit and Risk Committee. Its work is informed by analysis of the financial risks to which the OPR is exposed and its annual internal audit plans, which are approved by me and my Finance, Audit and Risk Audit Committee, are based on this analysis. These plans will aim to cover the key controls on a rolling basis over a reasonable period.

Risk and Control Framework

The OPR has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place, which identifies the key risks facing the OPR and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Executive Management Team (EMT). The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

OFFICE OF THE PLANNING REGULATOR

STATEMENT ON INTERNAL CONTROL

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the EMT, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Procurement

The OPR has procedures in place to ensure compliance with current procurement rules and guidelines as set out by the Office of Government Procurement.

Review of Effectiveness

I confirm that the OPR has procedures to monitor the effectiveness of its risk management and control procedures. OPR's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the FARC, which oversees their work, and the senior management within OPR responsible for the development and maintenance of the internal control framework.

I confirm that OPR conducted an annual review of the effectiveness of the internal controls for 2021. The Statement on Internal Control has been reviewed by the FARC to ensure it accurately reflects the control system in operation during the reporting period.

The OPR is reasonably assured that the system of Internal Control instituted and implemented for the financial year ended 31 December 2021 is effective.

Internal Financial Control Issues

No weaknesses in internal financial control were identified in relation to 2021 that require disclosure in the financial statements.



Niall Cussen
Chief Executive and Planning Regulator

Date: 17 May 2022

OFFICE OF THE PLANNING REGULATOR

**STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Year ended 2021 €	Year ended 2020 €
Income			
Oireachtas Grants	2	2,992,842	2,430,876
Other Income	3	426	-
Total Income		2,993,268	2,430,876
Expenditure			
Staff Costs	4	1,837,433	1,393,633
Upkeep and Overheads	5	226,859	397,737
General Expenses	6	402,135	298,777
Services Expenses	7	617,541	177,546
Depreciation	8	29,253	14,175
Total Expenditure		3,113,221	2,281,868
(Deficit) / Surplus for the period before appropriations		(119,953)	149,008
Transferred from/(to) Capital Account		28,896	(163,892)
(Deficit) / Surplus for the period after appropriations		(91,057)	(14,884)
Balance brought forward at 1 January		222,041	236,925
Balance brought forward at 31 December		130,984	222,041

All income and expenditure for the period relates to continuing activities at the reporting date.

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the period.

The Statement of Cash Flows and Notes 1 to 18 form part of these Financial Statements.



Niall Cussen
Chief Executive and Planning Regulator

Date: 17 May 2022

OFFICE OF THE PLANNING REGULATOR

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Notes	2021 €	2020 €
<u>Non-Current Assets</u>			
Property, plant and equipment	8	180,356	209,252
<u>Current Assets</u>			
Receivables	9	114,074	14,701
Cash and cash equivalents	10	266,656	274,638
Total Current Assets		380,730	289,339
<u>Current Liabilities (Amount falling due within one year)</u>			
Payables	11	74,746	67,298
Net Current Assets		305,984	222,041
Total Assets		486,340	431,293
Provision for Liabilities	12	175,000	-
Net Assets		311,340	431,293
<u>Representing</u>			
Retained Revenue Reserves		130,984	222,041
Capital Account	13	180,356	209,252
		311,340	431,293

The Statement of Cash Flows and Notes 1 to 18 form part of these Financial Statements.



Niall Cussen
Chief Executive and Planning Regulator

Date: 17 May 2022

OFFICE OF THE PLANNING REGULATOR
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Year Ended	Year Ended
		2021	2020
		€	€
Net Cash Flows from Operating Activities			
(Deficit) / Surplus for the period		(91,057)	(14,884)
Transfer (from)/to Capital Account		(28,896)	163,892
Capital account - other movement		37,518	-
Depreciation charge		29,253	14,175
(Increase) / Decrease in Receivables		(99,373)	279,986
Increase in Payables		182,448	9,536
Net Cash Flows from Operating Activities		29,893	452,705
Cash Flows from Investing Activities			
Payments to acquire property, plant and equipment	8	(37,875)	(178,067)
Net Cashflows from Investing Activities		(37,875)	(178,067)
(Decrease) / increase in cash and cash equivalents		(7,982)	274,638
Cash and cash equivalents at the beginning of period		274,638	-
Cash and cash equivalents at the end of the period		266,656	274,638

OFFICE OF THE PLANNING REGULATOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

The basis of accounting and significant accounting policies adopted by the OPR are set out below. They have been applied consistently throughout the period.

a) General Information

The OPR was set up under the Planning and Development Act 2000, as amended, with a head office at Fourth Floor (West Wing), Park House, Grangegorman, 191-193A, North Circular Road, Dublin 7. The primary function of the OPR is the independent assessment and evaluation of all local authority and regional assembly forward planning, including zoning decisions.

b) Statement of Compliance

The Financial Statements of the OPR for the period ended 31 December 2021 have been prepared in accordance with the applicable legislation and with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued by the Financial Reporting Council in the UK.

c) Basis of Preparation

The Financial Statements are prepared on the going concern basis, under the historical cost convention and comply with the financial reporting standards of the Financial Reporting Council, except as indicated in Oireachtas Grants below. The Financial Statements are in the form approved by the Minister for Housing, Local Government and Heritage with the concurrence of the Minister for Public Expenditure and Reform. The Financial Statements are prepared in Euro, which is the functional currency of the OPR.

The Financial Statements prepared are for the year ended 31 December 2021.

d) Oireachtas Grants

Income recognised in the Financial Statements under Grants represents funding provided to the OPR through the Vote of the Department of Housing, Local Government and Heritage. The Department administers the payment of salaries and the amount recognised as income represents the recourse to the Vote to fund payments made during the period.

e) Property, Plant and Equipment

Property, plant and equipment are stated at their historical cost less accumulated depreciation. Depreciation is charged to the Statement of Income and Expenditure and Retained Revenue Reserves on a straight-line basis, at the rates set out below, so as to write off the assets, adjusted for residual value, over their expected useful lives as follows: -

Furniture and Fittings	10%
Office Equipment	20%
IT Equipment	20%
IT Software	20%

The residual value and useful lives of fixed assets are considered annually for indicators that these may have changed. Where such indicators are present, a review will be carried out of the residual value, depreciation method and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

OFFICE OF THE PLANNING REGULATOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

f) Capital Account

The Capital Account represents the unamortised value of funding applied for the purchase of fixed assets.

g) Cash and Cash Equivalents

Cash consists of cash on hand and demand deposits.

h) Foreign Currencies

Transactions denominated in foreign currencies are translated into euro and recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the reporting date or at forward purchase contract rates where such contracts exist.

i) Retirement Benefits

The Employees of the OPR's pension entitlements are covered by:

- i. A defined benefit scheme, which is unfunded and is administered by the Department of Public Expenditure and Reform, or
- ii. The Single Public Service Pension Scheme, which commenced with effect from 1 January 2013. All new members of staff joining the organisation on or after that date are members of this scheme.

Under the Act all officers of the OPR are Civil Servants, accordingly no charge arises in these Financial Statements for any liabilities, which may arise in respect of their retirement benefits.

j) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period.

k) Critical Accounting Judgments and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Provisions: The management makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.

Impairment of property, plant and equipment: Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Depreciation and Residual Values: The OPR has reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings and have concluded that asset lives and residual values are appropriate.

OFFICE OF THE PLANNING REGULATOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	€	€
2. Oireachtas Grants		
Department of Housing, Local Government and Heritage	2,992,842	2,430,876

The OPR is funded from the Vote of the Department of Housing, Local Government and Heritage, through subhead D.5.

The 2020 Oireachtas grant figure comprises the amount charged to Subhead D.5 of €2,481,055 less a 2019 cost refund of €50,179.

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	€	€
3. Other Income		
Recoupment of cost in relation to a Freedom of Information request	426	-
	426	-

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	€	€
4. Staff Costs and Employee Information		
Wages and Salaries	1,642,414	1,260,985
PRSI	162,188	121,656
Secondments	-	3,683
Recruitment costs	17,836	7,009
Interview Panel Member Cost	-	300
Agency costs	14,995	-
Total Staff Cost	1,837,433	1,393,633

Additional Superannuation Contribution (ASC) was deducted in line with statutory requirements. €62,892 (2020: €48,595) of ASC has been deducted in 2021 and retained by the Department of Housing, Local Government and Heritage.

a) Employee Numbers

The number of staff at year-end (full time equivalents) was 24 (2020: 21).

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b) Staff Costs and Employee Information

Employee benefits breakdown is disclosed under “Employee Short-Term Benefits” in the Governance Statement and Planning Regulator’s Report.

c) Termination Benefits

No termination benefits were paid during the period.

d) Remuneration of Chief Executive Officer

The remuneration in 2021 of the Chief Executive Officer, who was appointed on 3 April 2019, is as follows:

	Year Ended	Year ended
	2021	2020
	€	€
Mr. Niall Cussen, CEO	<u>146,135</u>	<u>137,225</u>

The CEO did not receive any performance related payments or any other benefit in kind during the period. The CEO’s pension entitlements do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

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	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	€	€
5. Upkeep and Overheads		
Rent and Service Charges	195,551	350,373
Telephone and Electricity	3,647	471
Repairs and Maintenance	9,924	6,963
Acquisition Services	-	14,549
Insurance on Premises	17,737	25,381
	226,859	397,737

Decrease in Rent and Service Charges in 2021 due to lower lease costs on relocation of the OPR office premises to Park House, Dublin 7 from October 2020. Acquisition Services in connection with the relocation were incurred in 2020 only.

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	€	€
6. General Expenses		
Travel and Subsistence	3,846	3,722
IT Expenses	92,593	55,776
Printing, Post and Stationery	7,005	15,913
Conference and Seminar Costs	2,134	-
Communication	81,154	31,126
Staff Training	26,291	2,459
Research Programmes and Public Awareness	185,442	162,400
Other Office Expenses	3,670	27,381
	402,135	298,777

Increase in Communication expenses and Research Programmes and Public Awareness in 2021 represents increased activity due to expanding operations, particularly the statutory research output, following the publication of the Strategic Research Framework and Programme in late 2020. The increase in Staff Training expense is related to the expanding staffing complement in addition to OPR-wide training sessions delivered to staff.

	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	€	€
7. Service Expenses		
Legal	301,415	55,185
Services Contracts	191,865	31,353
Accounting	88,552	67,711
Internal Audit	23,009	11,797
External Audit	12,700	11,500
	617,541	177,546

Increase in Legal expenses in 2021 due to Judicial Review proceedings in which the OPR was a notice party. Increase in Services Contracts as due primarily to expert services required as part of the discharge of the statutory Plans Evaluation function. Increase in Internal Audit expense is due to the commencement of implementation of the 3-year Internal Audit Plan, as part of which the OPR carried out 4 internal audits in 2021.

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8. Property, Plant and Equipment

	<i>Furniture & Fittings</i>	<i>Office Equipment</i>	<i>IT Equipment</i>	<i>Software/ Licenses</i>	<i>Total</i>
					€
<u>Cost</u>					
At 01 January 2021	110,318	44,049	27,759	44,113	226,239
Additions for the period	787	-	37,088	-	37,875
Disposals	-	-	-	-	-
Adjustment *	-	-	-	(44,113)	(44,113)
At 31 December 2021	111,105	44,049	64,847	-	220,001
<u>Accumulated Depreciation</u>					
At 01 January 2021	4,799	3,548	2,045	6,595	16,987
Depreciation charge for the period	11,032	8,809	9,412	-	29,253
Disposals	-	-	-	-	-
Adjustment *	-	-	-	(6,595)	(6,595)
At 31 December 2021	15,831	12,357	11,457	-	39,645
<u>Net Book Value</u>					
At 31 December 2021	95,274	31,692	53,390	-	180,356
At 31 December 2020	105,520	40,501	25,714	37,517	209,252

* OPR capitalised software licenses in its 2020 Financial Statements, some of which had a useful economic life of less than two years. These items were re-classified as a prepaid expense in the 2021 Financial Statements.

9. Receivables

	Year Ended 2021	Year Ended 2020
	€	€
Prepayments	114,074	14,701
	114,074	14,701

All receivables are due within one year.

10. Cash and cash equivalents

	Year Ended 2021	Year Ended 2020
	€	€
Cash in Bank	266,566	274,465
Petty Cash	90	172
	266,656	274,638

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11. Payables

	Year Ended 2021 €	Year Ended 2020 €
Amounts falling due within one year:		
Creditors and accruals	48,025	65,126
Credit Card	2,421	785
Professional Services Withholding Tax	21,621	1,387
Value Added Tax	2,679	-
	74,746	67,298

12. Provision

Legal Costs

	Year Ended 2021 €	Year Ended 2020 €
Provision made during the year	175,000	-
Amount charged against the provision	-	-
Amount at the end of the year	175,000	-

During 2021, a local authority initiated Judicial Review proceedings against the Minister for Housing, Local Government and Heritage, in which the OPR was a notice party. The High Court judgment in Q4 2021 upheld the local authority's challenge against the respondents. While an appeal is being lodged against the judgment, a provision has been made, in consultation with the OPR's legal advisors, as a best estimate of the costs, which are probable to be apportioned to the OPR as a notice party in the proceedings.

13. Capital Account

	Year Ended 2021 €	Year Ended 2020 €
At 01 January	209,252	45,360
<u>Transfer from / (to) Statement of Income and Expenditure and Retained Revenue Reserves</u>		
Funding of Fixed Assets	37,875	178,067
Amount released on disposal of fixed assets	-	-
Amortisation in line with asset depreciation policy	(29,253)	(14,175)
Adjustment (Note 8)	(37,518)	-
Balance at 31 December	180,356	209,252

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14. Lease Commitments

The OPR has commitments in respect of a lease on office accommodation at 4th Floor (West wing), Park House, 191-193A North Circular Road, Dublin 7. This is held by way of a lease, which commenced in October 2020. The lease is for a period of 10 years. The initial annual cost of lease is €160,397 exclusive of VAT in respect of the premises.

Lease commitments

At 31 December 2021, the OPR had the following future minimum lease payments under non-cancellable leases:

	As at 31 Dec 2021	As at 31 Dec 2020
	€	€
Payable within 1 year	160,397	133,664
Payable within 2 – 5 years	641,588	641,588
Payable after 5 years	601,489	761,886
	1,403,474	1,537,138

15. Capital Commitments

There were no capital commitments as at 31 December 2021.

16. Related Party Transactions/ Disclosure of Interests

The OPR complies with the Code of Practice for the Governance of State Bodies issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by the Planning Regulator and members/staff of the OPR. Formal procedures exist to ensure adherence with the requirements of the Code. There were no related party transactions reported in 2021.

Key Management in the OPR consists of the Chief Executive and Planning Regulator, Deputy Planning Regulator and Director of Plans Evaluations, Director of Planning Reviews and Examinations and Director of Research, Training and Corporate Services. Total remuneration paid to key management personnel in 2021 was €451,414 (2020: €395,932).

17. Events After the Reporting Date

There were no events between the reporting date and the date of approval of these financial statements that require adjustment to the financial statements.

18. Approval of Financial Statements

The Financial Statements were approved and signed on 17 May 2022 by the Chief Executive and Planning Regulator.