

3 Vote accounting and budget management

- 3.1 Dáil Éireann provides money for the services of government departments and offices by
- approving estimates of receipts and expenditure for those services in the course of each year
 - giving statutory effect to the estimates in an annual Appropriation Act.
- 3.2 Expenditure is provided for under 'votes', with one or more covering the functions of each department or office. The first part of the estimate for each vote (referred to as the ambit) provides an outline of the services to be financed. The ambit is incorporated in the annual Appropriation Act and so represents the purposes for which funds have been authorised by Dáil Éireann.
- 3.3 At the end of each financial year, each department and office is required to prepare an account, known as the appropriation account, for each voted service administered by it. The statutory requirement is for the appropriation account to report the outturn for the year compared with the amount provided by Dáil Éireann.
- 3.4 In addition to voted services, some government departments administer statutory funds. Generally, these are funded from sources other than the Central Fund and therefore, that funding is not 'voted' by Dáil Éireann. Examples of such funds and their main income sources are
- Social Insurance Fund (PRSI contributions)
 - Local Government Fund (local property tax receipts)
 - National Training Fund (training fund levy receipts and EU grants)
 - Environment Fund (plastic bag and landfill levies).
- 3.5 In presenting estimates and reports on voted expenditure, the Department of Public Expenditure and Reform includes the Social Insurance Fund (€9.7 billion in 2019 estimates) and the National Training Fund (€486 million in 2019 estimates) in total gross **voted** expenditure. The Department considers that this provides a more complete picture of overall Government expenditure.

Results of 2019 audits of appropriation accounts

- 3.6** Audits of the 2019 appropriation accounts for all votes have been completed. Each account, together with the related audit report, is being presented to Dáil Éireann with this report.

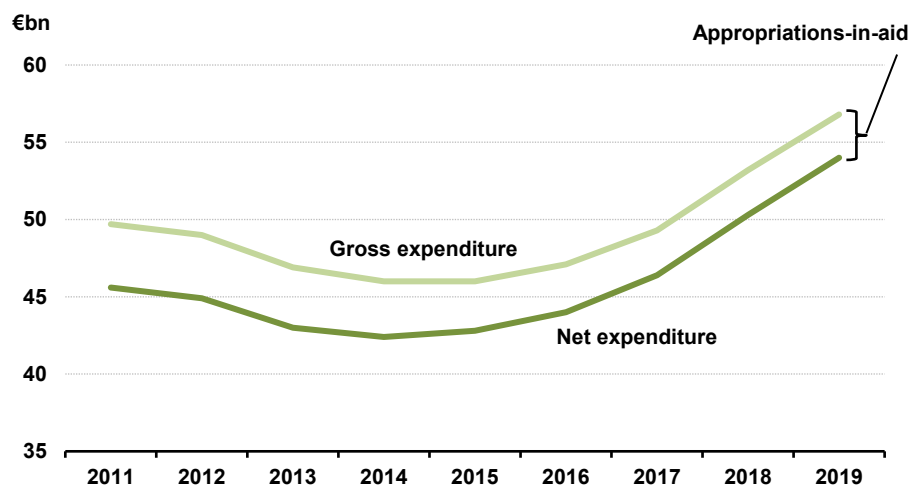
Appropriations

- 3.7** A summary of the amounts appropriated in 2019 for voted public services is included in Annex 3A (Figure 3A.1). The outturn for the year is also shown, together with the surplus of appropriations over expenditure.
- 3.8** The final amount appropriated for public services in 2019 was €57.4 billion. This comprised supply grants totalling €54.6 billion, capital funding carried over from 2018 totalling €93 million and appropriations-in-aid of €2.7 billion.

Vote outturn

- 3.9** Aggregate expenditure and appropriations-in-aid of all votes for the years 2011 to 2019 are presented in Figure 3.1. The total amount spent by departments and offices in 2019 was €56.9 billion (gross). After deduction of realised appropriations-in-aid totalling €2.9 billion, the net expenditure in the year was €54 billion.

Figure 3.1 Voted expenditure outturn, 2011 to 2019

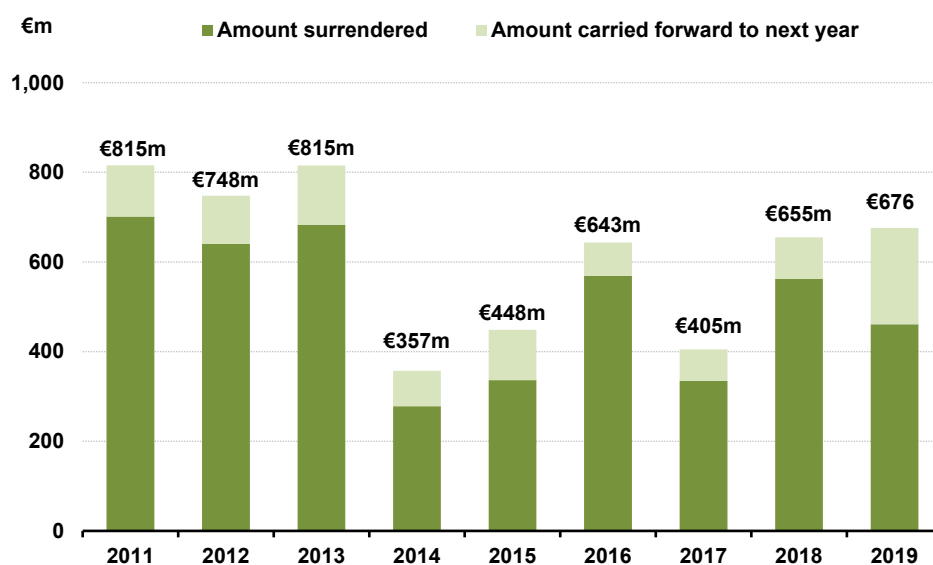


Source: Reports on the Accounts of the Public Services, 2011 to 2019, Annex 3A

Surpluses

- 3.10** Departments and offices are not permitted to spend more than the amount appropriated for each vote. When the expenditure in the year is less than the amount provided, the surplus is liable to be surrendered to the Exchequer.
- 3.11** All departments and offices managed within their overall voted allocations in 2019 and surpluses were recorded by all votes.
- 3.12** The 2019 surpluses amounted to €676 million (see Figure 3.2). Of that amount, a total of €215 million was approved for carry over to 2020.¹ The balance of €461 million was due for surrender. The sums liable for surrender or carried over to 2020 for each vote are shown in Annex 3A (Figure 3A.2).

Figure 3.2 Surplus appropriations, 2011 to 2019



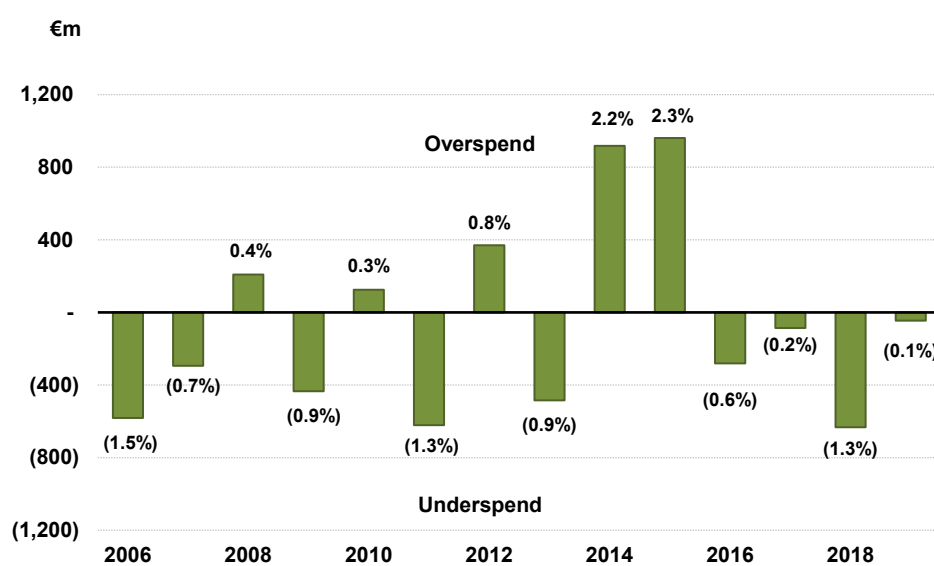
¹ Four votes — Transport, Tourism and Sport; Business, Enterprise and Innovation; Housing, Planning and Local Government; and Health — account for nearly three quarters of the total carried over across all votes.

Source: Reports on the Accounts of the Public Service, 2011 to 2019, Annex 3A

Budget variance

- 3.13** The original estimate amount approved by Dáil Éireann for 2019 represents the forecast of the amount required to meet the cost of the services to be provided from each vote. The budget variance is the difference between the original estimate of net expenditure and the actual outturn in a year.¹ Since 2016, the net expenditure across all votes has been less than the total provided (see Figure 3.3). The underspend in 2019 was 0.1% of the original budgeted amount.

Figure 3.3 Net expenditure variance from original budget, all votes, 2006 to 2019



Source: Analysis by the Office of the Comptroller and Auditor General

Budget variance by vote

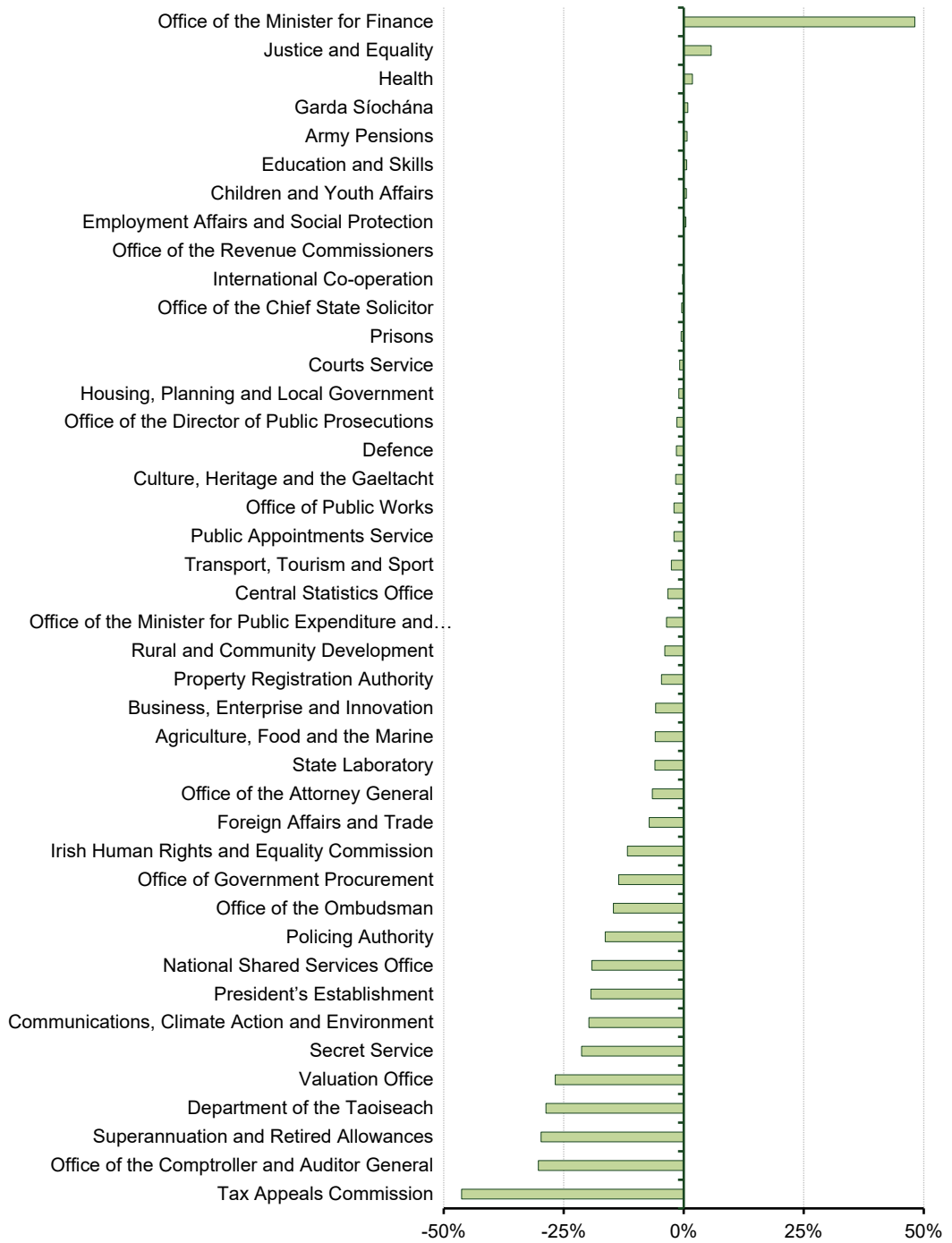
- 3.14** The three votes with the largest monetary net variance in 2019 were Health (€303 million more than the original estimate), Superannuation and Retired Allowances (€110 million less than the original estimate), Communications, Climate Action and Environment (€86 million less than the original estimate).

- 3.15** Figure 3.4 sets out, for each vote, the proportionate variance between actual expenditure and the original estimate in 2019.

- For eight votes, the net expenditure outturn was greater than the original estimate. The Office of the Minister for Finance, at 48%, had the largest percentage overspend compared with its original estimate.
- The remaining 34 votes incurred net expenditure less than originally anticipated in the revised estimates. Tax Appeals Commission, at 46%, had the largest percentage underspend compared with its original estimate.
- Each appropriation account explains material variances from the amount originally voted by Dáil Éireann. Explanations are provided for each spending subhead where the outturn is at least $\pm 5\%$ ($\pm 25\%$ in the case of administration subheads) different from the amount provided, and at least $\pm \text{€}100,000$.

¹ There is a statutory provision to allow unspent capital allocations to be carried over to the following year for use for the same purpose, with Department of Public Expenditure and Reform agreement. In this report, such carryover amounts are treated as part of the (following year) annual departmental appropriations.

Figure 3.4 Net expenditure variance by vote, as a proportion of the original budget, 2019



Source: Analysis by the Office of the Comptroller and Auditor General

Funding of variances

- 3.16** When the Dáil approves a vote estimate, it does so at the aggregate level. Departments are allowed some scope to manage budgets by moving allocations between programmes and subheads, but only if the Department of Public Expenditure and Reform agrees. This process of reallocation of funding is referred to as virement.
- 3.17** If large adjustments to the budgets for programmes or subheads are required as the year progresses, formal approval must be sought from the Dáil. This is done through the 'supplementary estimate' process. This process may also be used, if required, to increase the cash limit for a vote for the year or to adjust expected appropriations-in-aid. Details of supplementary estimates requested are discussed at the relevant Dáil committees (typically in the final quarter of the year) before approval is sought from the Dáil itself.
- 3.18** In 2019, thirteen votes required substantive supplementary estimates to increase the overall amount available.¹ The scale of the budgetary increases approved for 2019 ranged from €470,000 for the Public Appointments Service to over €338 million for Health (see Figure 3.5).

¹ A supplementary estimate that does not increase the overall amount available for the Vote is referred to as a 'technical supplementary estimate'. These are used to move the funding originally made available between existing subheads.

Figure 3.5 Substantive supplementary estimates 2019

Vote	Increases approved (‘000)	Reason for additional requirement
Health	338,055	Increased costs in demand led services such as primary care reimbursement, social care services and long term residential care.
Employment Affairs and Social Protection	100,000	Payments to social welfare recipients related to the Christmas bonus.
Education and Skills	68,000	Increased costs such as teachers' pay; school transport services; State Examinations Commission reforms and schools infrastructure.
Justice and Equality	33,300	Increased costs for asylum seeker accommodation; operations of the Magdalen redress scheme.
Office of the Minister for Finance	21,200	Legal settlement of proceedings arising from the air travel tax introduced in Budget 2009.
Agriculture, Food and the Marine	19,424	To fund aid measure to support beef farmers; increased expenditure under agriculture schemes; cost associated with Brexit preparations.
An Garda Síochána	17,500	Increased security costs; demand led training and development expenditure; increased costs of upgrading and maintaining stations.
Children and Youth Affairs	15,000	Increased costs associated with children's residential services.
Transport, Tourism and Sport	10,000	Increased funding for tourism marketing due to the uncertainties raised by Brexit; additional expenses such as rental costs and system updates.
Office of the Chief State Solicitor	5,000	Additional funding required for a number of high profile and complex cases during the year.
Office of the Revenue Commissioners	4,104	Increased costs to meet critical Brexit infrastructure.
Army Pensions	1,900	Higher than anticipated level of pension related payments.
Public Appointments Service	470	Increased recruitment costs.

Source: Analysis by the Office of the Comptroller and Auditor General

Figure 3.6 Votes with supplementary estimates, 2013 to 2019^a

Vote	2013	2014	2015	2016	2017	2018	2019
20 Garda Síochána	●	●	●	●	●	●	●
35 Army Pensions	●	●	●	●	●	●	●
26 Education and Skills		●	●	●	●	●	●
37 Employment Affairs and Social Protection			●	●	●	●	●
38 Health ^b	●	●	●		●	●	●
31 Transport, Tourism and Sport	●	●	●	●	●	●	●
40 Children and Youth Affairs		●	●			●	●
24 Justice and Equality	●					●	●
30 Agriculture, Food and the Marine		●	●	●	●	●	●
17 Public Appointments Service		●	●		●		●
7 Office of the Minister for Finance			●				●
34 Housing, Planning and Local Government		●			●	●	
21 Prisons		●	●			●	
13 Office of Public Works						●	
27 International Co-Operation						●	
32 Business, Enterprise and Innovation		●	●	●	●	●	●
12 Superannuation and Retired Allowances		●	●		●	●	●
29 Communications, Climate Action and Environment			●				●
22 Courts Service		●		●		●	
5 Office of the Director of Public Prosecutions					●		
28 Foreign Affairs and Trade				●			●
36 Defence		●		●			
6 Office of the Chief State Solicitor			●				●
18 National Shared Services Office	●		●				
2 Department of the Taoiseach		●					
33 Culture, Heritage and the Gaeltacht		●					
9 Office of the Revenue Commissioners							●
12 Superannuation and Retired Allowances							●

Source: Analysis by the Office of the Comptroller and Auditor General

- Notes:
- Indicates an increase in the net expenditure estimate i.e. a substantive supplementary estimate.
 - Indicates that the increase in net expenditure was a token €1,000 i.e. a technical supplementary estimate.
- a Vote titles and numbers are as per the 2019 Revised Estimates for Public Services. For some votes, different titles may have applied in earlier years in which a supplementary estimate was approved.
- b Prior to 2015, the data relates to the HSE Vote. From 2015, the HSE no longer holds a vote. Since then, Exchequer funding is provided to it through grants from the Health Vote.

Exchequer extra receipts

- 3.19** All receipts of central government departments and offices are liable for lodgement in the Central Fund, unless Dáil Éireann decides that they may be applied as appropriations-in-aid. Examples of receipts that are not treated as appropriations-in-aid include Ireland's receipts from the EU Emissions Trading System, Property Registration Authority fees and court fine receipts. These are transferred to the Central Fund, and are referred to as Exchequer extra receipts. Windfall receipts are also usually brought to account in this way, including proceeds of significant sales of property, receipts on foot of surplus income or profits of State companies, interest, dividends or capital repayments, compensation payments and voluntary surrender of salary.
- 3.20** Where Exchequer extra receipts arose in 2019, the amounts are shown in notes to the relevant appropriation accounts. The total Exchequer extra receipts recorded by departments and offices in 2019 was €301 million (2018: €286 million). The aggregate amount of those receipts reported in each account is set out in Annex 3A (Figure 3A.3).

Annex 3A Vote financial outturn

Dáil Éireann provides money for the ordinary services of government departments and offices by approving estimates of the amounts required for those services in the course of each year, and giving statutory effect to those estimates in the annual Appropriation Act. The expenditure is provided for under a series of 'votes'. By law, an appropriation account must be produced for each vote. The account must provide details of the outturn for the year against the amount provided by Dáil Éireann.

Figure 3A.1 provides a summary of the outturn on expenditure and receipts relative to the amounts appropriated for public services in 2019.

Figure 3A.2 shows how surplus appropriations in 2019 were applied — either through deferral of expenditure to 2020, or by surrender to the Exchequer.

Figure 3A.3 shows the Exchequer extra receipts recorded against each vote in 2019.

Explanations of some of the terms used in the tables are given below.

Supply grant	The money granted (or voted) by Dáil Éireann for each of the public services.
Deferred from 2018	Amount of capital funding not spent in 2018 and carried over for expenditure on capital services in 2019. The carry-over of these sums was approved by Dáil Éireann.
Appropriations-in-aid	Departmental receipts which, with the agreement of Dáil Éireann, may be retained to defray the expenses of the vote to which they relate.
Total appropriations	Sum of the supply grant, deferred 2018 capital moneys (if any) and appropriations-in-aid.
Surplus for the year	The excess of total appropriations by Dáil Éireann over the gross expenditure together with any surplus on appropriations-in-aid. The surplus for the year is liable for surrender back to the Exchequer.
Deferred surrender	Amount of capital funding not spent in 2019 which was carried over for expenditure in 2020. These carry overs were approved by Dáil Éireann.
Surplus to be surrendered	Amount of money appropriated in 2019 but not spent in the year or deferred to 2020, and so required to be surrendered to the Exchequer.
Exchequer extra receipts	Departmental receipts that are not appropriated-in-aid of the vote, but are transferred to the Exchequer.

Figure 3A.1 Summary of appropriations for public services in 2019, by vote

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2018	Appropriations -in-aid	Total	Gross expenditure	Appropriations -in-aid	Net expenditure	Gross surplus (deficit)	Excess/ (deficit) in receipts	Net surplus for the year ^a
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
1	President's Establishment	4,434	-	82	4,516	3,655	78	3,577	861	(4)	857
2	Department of the Taoiseach	34,337	-	929	35,266	25,188	707	24,481	10,078	(222)	9,856
3	Office of the Attorney General	15,592	-	761	16,353	15,153	580	14,573	1,200	(181)	1,019
4	Central Statistics Office	54,714	-	1,449	56,163	55,192	2,298	52,894	971	849	1,820
5	Office of the Director of Public Prosecutions	42,809	-	910	43,719	43,090	895	42,195	629	(15)	614
6	Office of the Chief State Solicitor	39,616	-	955	40,571	40,437	988	39,449	134	33	167
7	Office of the Minister for Finance	60,916	-	1,380	62,296	60,166	1,333	58,833	2,130	(47)	2,083
8	Office of the Comptroller and Auditor General	8,657	-	5,981	14,638	13,799	7,764	6,035	839	1,783	2,622
9	Office of the Revenue Commissioners	382,684	-	67,487	450,171	449,066	70,541	378,525	1,105	3,054	4,159
10	Tax Appeals Commission	3,208	-	140	3,348	1,772	49	1,723	1,576	(91)	1,485
11	Office of the Minister for Public Expenditure and Reform	58,993	-	2,463	61,456	59,545	2,676	56,869	1,911	213	2,124
12	Superannuation and Retired Allowances	371,298	-	243,603	614,901	598,656	337,680	260,976	16,245	94,077	110,322
13	Office of Public Works	439,738	-	24,205	463,943	455,131	24,314	430,817	8,812	109	8,921
14	State Laboratory	9,795	-	1,066	10,861	10,831	1,623	9,208	30	557	587
15	Secret Service	1,250	-	-	1,250	984	-	984	266	-	266
16	Valuation Office	12,730	-	1,362	14,092	10,810	1,486	9,324	3,282	124	3,406
17	Public Appointments Service	15,328	-	175	15,503	14,810	253	14,557	693	78	771
18	National Shared Services Office	50,324	1,168	5,740	57,232	47,479	5,833	41,646	9,753	93	9,846
19	Office of the Ombudsman	11,718	-	456	12,174	10,418	416	10,002	1,756	(40)	1,716
20	Garda Síochána	1,672,308	3,581	120,147	1,796,036	1,794,042	121,288	1,672,754	1,994	1,141	3,135

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2018	Appropriations -in-aid	Total	Gross expenditure	Appropriations -in-aid	Net expenditure	Gross surplus (deficit)	Excess/ (deficit) in receipts	Net surplus for the year ^a
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
21	Prisons	349,536	-	9,476	359,012	357,896	10,284	347,612	1,116	808	1,924
22	Courts Service	90,624	2,500	47,781	140,905	139,416	47,084	92,332	1,489	(697)	792
23	Property Registration Authority	30,449	56	610	31,115	29,727	639	29,088	1,388	29	1,417
24	Justice and Equality	457,014	942	98,134	556,090	540,083	91,105	448,978	16,007	(7,029)	8,978
25	Irish Human Rights and Equality Commission	6,662	-	89	6,751	5,973	92	5,881	778	3	781
26	Education and Skills	9,868,656	-	512,390	10,381,046	10,373,414	511,021	9,862,393	7,632	(1,369)	6,263
27	International Co-operation	543,826	-	1,100	544,926	543,601	1,186	542,415	1,325	86	1,411
28	Foreign Affairs and Trade	212,500	-	58,951	271,451	266,384	69,213	197,171	5,067	10,262	15,329
29	Communications, Climate Action and Environment	421,991	15,000	242,711	679,702	587,170	236,493	350,677	92,532	(6,218)	86,314
30	Agriculture, Food and the Marine	1,323,107	22,000	333,317	1,678,424	1,635,121	388,443	1,246,678	43,303	55,126	98,429
31	Transport, Tourism and Sport	2,326,869	18,366	24,964	2,370,199	2,301,192	25,791	2,275,401	69,007	827	69,834
32	Business, Enterprise and Innovation	896,966	27,600	53,272	977,838	929,268	58,977	870,291	48,570	5,705	54,275
33	Culture, Heritage and the Gaeltacht	335,195	700	3,764	339,659	335,343	5,046	330,297	4,316	1,282	5,598
34	Housing, Planning and Local Government	3,937,303	-	61,175	3,998,478	3,960,523	63,231	3,897,292	37,955	2,056	40,011
35	Army Pensions	246,033	-	5,000	251,033	250,966	5,081	245,885	67	81	148
36	Defence	735,313	-	22,735	758,048	756,094	32,154	723,940	1,954	9,419	11,373
37	Employment Affairs and Social Protection	10,699,773	1,000	217,700	10,918,473	10,871,161	223,035	10,648,126	47,312	5,335	52,647
38	Health	17,030,315	-	460,000	17,490,315	17,459,254	463,858	16,995,396	31,061	3,858	34,919
39	Office of Government Procurement	18,031	96	450	18,577	16,164	492	15,672	2,413	42	2,455
40	Children and Youth Affairs	1,497,676	-	27,637	1,525,313	1,517,775	27,064	1,490,711	7,538	(573)	6,965
41	Policing Authority	3,324	-	52	3,376	2,845	65	2,780	531	13	544
42	Rural and Community Development	260,682	-	30,520	291,202	290,683	40,305	250,378	519	9,785	10,304
Total		54,582,294	93,009	2,691,119	57,366,422	56,880,277	2,881,461	53,998,816	486,145	190,342	676,487

Source: 2019 Appropriation Accounts. Any apparent differences in totals are due to rounding.

Note: a The net surplus is comprised of the excess of total appropriations by Dáil Éireann over the gross expenditure together with the excess/deficit on appropriations-in-aid.

Figure 3A.2 Application of surplus 2019 appropriations, by vote

Vote	Service	Surplus for the year	Deferred surrender (to 2020)	Surplus for surrender
		€000	€000	€000
1	President's Establishment	858	—	858
2	Department of the Taoiseach	9,856	—	9,856
3	Office of the Attorney General	1,019	—	1,019
4	Central Statistics Office	1,820	—	1,820
5	Office of the Director of Public Prosecutions	614	—	614
6	Office of the Chief State Solicitor	167	—	167
7	Office of the Minister for Finance	2,083	—	2,083
8	Office of the Comptroller and Auditor General	2,622	—	2,622
9	Office of the Revenue Commissioners	4,159	—	4,159
10	Tax Appeals Commission	1,485	—	1,485
11	Office of the Minister for Public Expenditure and Reform	2,124	146	1,978
12	Superannuation and Retired Allowances	110,322	—	110,322
13	Office of Public Works	8,921	8,000	921
14	State Laboratory	587	—	587
15	Secret Service	266	—	266
16	Valuation Office	3,406	—	3,406
17	Public Appointments Service	771	150	621
18	National Shared Services Office	9,846	1,024	8,822
19	Office of the Ombudsman	1,716	—	1,716
20	Garda Síochána	3,135	—	3,135
21	Prisons	1,924	—	1,924
22	Courts Service	793	—	793
23	Property Registration Authority	1,417	—	1,417
24	Justice and Equality	8,978	—	8,978
25	Irish Human Rights and Equality Commission	781	—	781
26	Education and Skills	6,263	—	6,263
27	International Co-operation	1,411	—	1,411
28	Foreign Affairs and Trade	15,330	—	15,330
29	Communications, Climate Action and Environment	86,313	27,296	59,017
30	Agriculture, Food and the Marine	98,430	19,800	78,630
31	Transport, Tourism and Sport	69,834	48,611	21,223
32	Business, Enterprise and Innovation	54,275	42,150	12,125
33	Culture, Heritage and the Gaeltacht	5,597	3,435	2,162
34	Housing, Planning and Local Government	40,011	33,500	6,511
35	Army Pensions	148	—	148
36	Defence	11,374	—	11,374
37	Employment Affairs and Social Protection	52,647	1,187	51,460
38	Health	34,919	30,000	4,919
39	Office of Government Procurement	2,455	59	2,396
40	Children and Youth Affairs	6,965	—	6,965
41	Policing Authority	544	—	544
42	Rural and Community Development	10,304	—	10,304
	Total	676,490	215,358	461,132

Source: 2019 Appropriation Accounts

Figure 3A.3 Exchequer extra receipts 2019, by vote

Vote	Service	Extra receipts realised
		€000
1	President's Establishment	—
2	Department of the Taoiseach	43
3	Office of the Attorney General	—
4	Central Statistics Office	—
5	Office of the Director of Public Prosecutions	—
6	Office of the Chief State Solicitor	10,715
7	Office of the Minister for Finance	42
8	Office of the Comptroller and Auditor General	—
9	Office of the Revenue Commissioners	1,588
10	Tax Appeals Commission	—
11	Office of the Minister for Public Expenditure and Reform	19
12	Superannuation and Retired Allowances	—
13	Office of Public Works	—
14	State Laboratory	—
15	Secret Service	—
16	Valuation Office	—
17	Public Appointments Service	—
18	National Shared Services Office	—
19	Office of the Ombudsman	12
20	Garda Síochána	5,000
21	Prisons	—
22	Courts Service	8,344
23	Property Registration Authority	69,865
24	Justice and Equality	25
25	Irish Human Rights and Equality Commission	—
26	Education and Skills	716
27	International Co-operation	—
28	Foreign Affairs and Trade	—
29	Communications, Climate Action and Environment	123,191
30	Agriculture, Food and the Marine	1,124
31	Transport, Tourism and Sport	50,680
32	Business, Enterprise and Innovation	9,131
33	Culture, Heritage and the Gaeltacht	17
34	Housing, Planning and Local Government	15,256
35	Army Pensions	—
36	Defence	12
37	Employment Affairs and Social Protection	22
38	Health	50
39	Office of Government Procurement	544
40	Children and Youth Affairs	4,455
41	Policing Authority	—
42	Rural and Community Development	15
	Total	300,866

Source: 2019 Appropriation Accounts