

Chapter 19

Central Government

Vote Management

Vote Management

19.1 Dáil Éireann provides money for the ordinary services of Government departments and offices, both capital and non-capital, by

- approving estimates for those services in the course of each year
- giving statutory effect to the estimates in an annual Appropriation Act.

19.2 Expenditure is provided for under 'votes', with one or more votes 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.

19.3 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. Appropriation accounts are drawn up on a cash basis. By way of supplementary information, certain accrual based outturns and balances are included in notes to the accounts.

Results of 2009 Audits

Audits of the 2009 Appropriation Accounts for all votes have been completed. The accounts, together with my audit report are set out in an accompanying volume entitled Appropriation Accounts 2009. Clear opinions have been given in all cases. Vote 38, Social and Family Affairs, includes a reference to the level of payments in excess of statutory entitlement.

Appropriations for 2009

Estimate Provision

19.4 The original estimates for public services in 2009 provided for supply grants for voted services totalling €47.6 billion. In addition, they provided for departments and agencies to raise a further €6 billion through appropriations in aid and apply capital funding carried over from 2008 totalling €128 million.

Supplementary Estimates

19.5 Subsequently, Ministers requested supplementary allocations in respect of 13 votes. These provided for increases totalling around €605 million on some subheads, offset by planned savings of €267 million on others. There was a net reduction across all votes of €22 million in the expected level of appropriations in aid. Figure 98 lists the votes where supplementary estimates were granted in 2009.

Figure 98 Supplementary Estimates, 2009

Vote	Additional expenditure approved	Less		Net Supplementary supply grant
		Increases in appropriations in aid	Savings on other subheads	
	€m	€m	€m	€m
7 Superannuation and Retired Allowances	65.0	—	—	65.0
12 Secret Service	0.2	—	—	0.2
14 Office of the Director of Public Prosecutions	4.0	—	—	4.0
19 Justice, Equality and Law Reform	55.7	12.0	43.7	—*
20 Garda Síochána	77.2	25.0	22.2	30.0
22 Courts Service	8.1	6.8	1.3	—*
27 Community, Rural and Gaeltacht Affairs	1.3	—	1.3	—*
30 Communications, Energy and Natural Resources	2.9	0.5	2.4	—*
31 Agriculture, Fisheries and Food	125.4	18.4	107.0	—*
34 Enterprise, Trade and Employment	20.5	—	20.5	—*
37 Army Pensions	7.2	(1.3)	1.3	7.2
40 Health Service Executive	238.0	(83.0)	67.0	254.0
41 Children and Youth Affairs	—*	—	—	—*
Supplementary Allocations for All Votes	605.5	(21.6)	266.7	360.4

Note:

* Indicates that a supplementary sum of €1,000 was granted (referred to as a technical supplementary estimate). In the case of Vote 41, the supplementary estimate was required to provide for the introduction of the Early Childhood Care and Education Scheme.

19.6 The net impact of supplementary votes by Dáil Éireann was an increase of €360 million in the net supply grant total (a 0.8% increase). Annex A Figure 100 displays the total amount provided by Dáil Éireann under each vote for 2009.

19.7 The combined provision taking account of both original and supplementary estimates incorporating appropriations in aid and carry over of capital funding totaled €4 billion in 2009 across the 41 votes.

Expenditure Outturn

19.8 The outturn amount spent by departments and offices in 2009 was €53.1 billion. After deduction of appropriations in aid receipts totalling €5.9 billion, the net expenditure in the year was €47.2 billion as set out in Figure 99.

Figure 99 Vote Outturn 2008 and 2009

	2008	2009
	€m	€m
Gross voted expenditure	53,761	53,119
Less appropriations in aid	4,464	5,916
Net voted expenditure	49,297	47,203
Surplus allocation for the year	878	794
Amount carried over to the following year	128	126
Surplus for surrender	750	668

19.9 Departments and agencies are not permitted to spend more than the amount approved for each vote area. When the outturn expenditure in the year is less than the amount provided, the surplus amount is liable to be surrendered to the Exchequer.

19.10 The 2009 surplus provision was €794 million. Of that amount, a total of €126 million was approved for carrying over to 2010¹⁴⁴. The balance of €668 million was due for surrender. The sums liable for surrender or carried over to 2010 for each Vote are shown in Annex A Figure 101.

Conclusion on Expenditure Outturn

All departments and offices managed within their statutory allocations. Consequently no excess vote occurred in 2009. Surpluses were recorded by all votes based on their gross expenditure, and also on their net expenditure after taking account of appropriations in aid.

Disposal of 2008 Surplus Allocation

19.11 The surplus allocation in 2008 was €878 million. The amount approved for carrying over to 2009 was €128 million. The balance of €750 million was due for surrender to the Exchequer.

Conclusion on 2008 Surrenders

The balances due to be surrendered out of votes for public services for the year ended 31 December 2008 amounted to €750 million. I certify that those balances have been duly surrendered.

¹⁴⁴ Section 91 of the Finance Act 2004 allows for the carrying over to the following year of unspent capital funding, subject to the agreement of the Minister for Finance.

Exchequer Extra Receipts

19.12 Certain sums collected by Government departments and offices are directed by the Department of Finance to be credited to the Exchequer, and not treated as appropriations in aid. This includes Garda (on-the-spot) fine and court fine 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.

19.13 Where Exchequer extra receipts arose in 2009, the amount is shown in a note to the respective appropriation accounts. The aggregate amount of those receipts reported in each account is set out in Annex A Figure 102.

Conclusion on Exchequer Extra Receipts

The total Exchequer extra receipts by Government departments and offices in 2009 was €111 million.

The Exchequer extra receipts shown in the 2009 appropriation accounts have been paid into the Exchequer. Some of these payments occurred in early 2010.

Stock and Store Accounts

19.14 Under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993, I am required to examine certain stock and store accounts of departments and offices. This examination is conducted as part of the audit of the Appropriation Accounts.

Conclusion on Stock and Store Accounts

The stock and store accounts of departments and offices have been examined with generally satisfactory results.

Grants-in-Aid

19.15 In addition to covering the ordinary services administered directly by a Government department or office, a vote may contain financial provision for a particular activity or service administered by an outside body in the form of a grant or a grant-in-aid to the body. Grants are subject to all the usual restrictions pertaining to any payment from a subhead and any balance remaining unexpended at the end of the year must be surrendered. A grant-in-aid differs from other voted grants in that any unexpended end-year balance of the sums issued from the vote or subhead is not liable to surrender to the Exchequer.

19.16 Grants-in-aid generally relate to public bodies carrying out particular functions. These functions have well-defined parameters and are executed without continual reference to the granting Department. Prior to making a proposal to classify expenditure as a grant-in-aid, a

Department needs to be satisfied that the retention of unexpended end-year balances, as well as the accounting and other arrangements associated with grants-in-aid, are appropriate.¹⁴⁵

19.17 In general, each grant-in-aid is presented as a separate subhead in the relevant vote. Where issues to a number of different payees are involved, a grant-in-aid may be payable to a named fund administered by the Department concerned, from which the payments may be made in due course. Details of the account of the fund are included in notes to the appropriation account.

19.18 The total amount paid by way of a grant-in-aid may not exceed the amount specified in the Estimate subhead. Savings on other subheads cannot be used to increase the amount.

Conclusion on Grant-in-Aid Expenditure

In 2009, total issues under grant-in-aid subheads amounted to €2.86 billion. In all cases, the amount paid by way of grant-in-aid was equal to or less than the amount of the subhead provision approved by Dáil Éireann.

Charge to HSE Vote

19.19 The charge to the HSE Vote comprises expenditure recorded on an area basis and expenditure relating to nationally administered programmes. The area-based expenditure is compiled for areas that pre-dated the HSE and is derived from legacy financial systems operated in those areas. These systems are designed to produce accrual-based accounts. The cash based figures required for Vote accounting rely on substantial adjustment to the accrual figures. Ultimately, while this process produces an overall outturn that equates to the cash outlay of the Executive in the year, the charge to some individual subheads is based on apportionments. In particular

- Long Stay Residential Care (for the elderly) costs are administered locally and a portion of the charge to Subhead B.16 is based on a cost allocation model developed by the HSE which, in summary, apportions the costs of its long-stay units on the basis of beds allocated to different care groups.
- Certain expenditure currently administered centrally (eg. grants to third level institutions for nursing education) is provided for in area-based subheads and accordingly centrally administered payments have to be apportioned to those subheads on an allocation basis.

Conclusion on Charge to the HSE Vote

Chapter 39 outlines the status of the development by the HSE of a National Finance and Procurement System. While a business case for a new financial system has been completed, the project is still subject to final approval from the Department of Health and Children and the Department of Finance.

In the interim, there would be merit in

- aligning area-based subheads with HSE operational areas
- creating discrete subheads for all programmes centrally administered.

¹⁴⁵

Many of the bodies funded by grants-in-aid are also audited by the Comptroller and Auditor General.

Review of the Contingency Fund

19.20 The Contingency Fund is a non-statutory fund first formed to administer a grant-in-aid voted in 1923. The Fund is available to defray urgent or unforeseen expenditure which is not covered by the ordinary Votes and for which it may be impracticable to seek the immediate approval of Dáil Éireann e.g. during recess. By agreement with the Committee of Public Accounts, the use of the Contingency Fund is precluded when the Dáil is sitting, or for new services of a controversial nature.

19.21 The Fund is managed by the Department of Finance. A decision to use money held in the Fund is taken only by the Accounting Officer of the Department, with the prior agreement of the Minister for Finance. The Fund operates as a deposit account held in the Paymaster General's Office¹⁴⁶.

19.22 The convention is that all payments from the Fund are subsequently repaid to it either by

- a new or additional Vote if the advance is for a completely new service
- by way of a Supplementary Estimate if the service is related to an existing Vote
- from the Central Fund, which requires specific legislation.

19.23 The size of the Fund is reviewed every five years. Following a review in 2004, the amount in the Fund was increased to €1.2 million. Following a review that commenced in 2009, it was decided that the Fund should remain at that level. The next review is due in 2014.

Conclusion on the Contingency Fund

There were no transactions on the Fund in 2009.

¹⁴⁶ The procedures in relation to operation of the Fund are set out in the Department of Finance publication Public Financial Procedures (Sections C.1.5 to C.1.12).

Annex A Central Government 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 100 provides a summary of the outturn on expenditure and receipts relative to the amounts appropriated for public services in 2009.

Figure 101 shows how surplus appropriations in 2009 were applied — either through deferral of expenditure to 2010, or by surrender to the Exchequer.

Figure 102 shows expected and realised Exchequer Extra receipts.

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 2008	Amounts of capital moneys not spent in 2008 and carried over for expenditure on capital services in 2009. The carry over of these sums was approved by Dáil Éireann in the Appropriation Act 2008.
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 refer.
Total Appropriations	Sum of the supply grant, deferred 2008 capital moneys (if any) and appropriations-in-aid.
Deferred Surrender	Amount of capital moneys not spent in 2009 which were carried over for expenditure in 2010. The carry over of these sums was approved by Dáil Éireann in the Appropriation Act 2009.
Amount to be Surrendered	Amount of money appropriated in 2009 but not spent in the year or deferred to 2010, and so required to be surrendered to the Exchequer.
Exchequer Extra Receipts	Departmental receipts that are not appropriated-in-aid, but are paid directly into the Exchequer.

Figure 100 Summary of Appropriations for Public Services in 2009, by Vote

Vote	Service	Amount Appropriated				Outturn			Comparison of Provision and Outturn		
		Supply Grants ^a	Deferred from 2008	Appropriations in Aid	Total	Gross Expenditure	Appropriations in Aid Realised	Net Expenditure	Surplus/ (Deficit) Provision for Gross Expenditure	Excess/ (Deficit) in Receipts	Net Surplus ^b
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
1	President's Establishment	3,422	—	87	3,509	2,896	64	2,832	613	(23)	590
2	Department of the Taoiseach	32,686	—	1,100	33,786	25,149	914	24,235	8,637	(186)	8,451
3	Office of the Attorney General	17,480	—	733	18,213	16,320	670	15,650	1,893	(63)	1,830
4	Central Statistics Office	53,640	—	2,040	55,680	50,483	1,911	48,572	5,197	(129)	5,068
5	Office of the Comptroller and Auditor General	8,271	—	5,032	13,303	12,150	5,508	6,642	1,153	476	1,629
6	Office of the Minister for Finance	68,355	—	15,130	83,485	76,260	11,086	65,174	7,225	(4,044)	3,181
7	Superannuation and Retired Allowances	333,735	—	78,250	411,985	408,932	89,926	319,006	3,053	11,676	14,729
8	Office of the Appeal Commissioner	603	—	28	631	466	28	438	165	—	165
9	Office of the Revenue Commissioners	403,255	—	57,546	460,801	460,170	66,987	393,183	631	9,441	10,072
10	Office of Public Works	468,745	5,000	27,140	500,885	478,352	31,447	446,905	22,533	4,307	26,840
11	State Laboratory	9,465	—	510	9,975	9,234	832	8,402	741	322	1,063
12	Secret Service	900	—	—	900	602	—	602	298	—	298
13	Office of the Chief State Solicitor	35,886	—	3,441	39,327	38,199	4,708	33,491	1,128	1,267	2,395
14	Office of the Director of Public Prosecutions	45,121	—	775	45,896	45,687	901	44,786	209	126	335
15	Valuation Office	11,344	—	2,238	13,582	12,093	2,788	9,305	1,489	550	2,039
16	Public Appointments Service	12,655	—	453	13,108	10,363	563	9,800	2,745	110	2,855
17	Commission for Public Service Appointments	1,204	—	39	1,243	983	32	951	260	(7)	253
18	Office of the Ombudsman	7,958	—	345	8,303	7,290	317	6,973	1,013	(28)	985
19	Justice, Equality and Law Reform	434,888	—	42,327	477,215	470,833	43,653	427,180	6,382	1,326	7,708
20	Garda Síochána	1,510,021	—	111,936	1,621,957	1,619,972	112,226	1,507,746	1,985	290	2,275

		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
21	Prisons	363,586	—	15,733	379,319	374,120	16,293	357,827	5,199	560	5,759
22	The Courts Service	77,620	—	51,172	128,792	125,772	51,358	74,414	3,020	186	3,206
23	Property Registration Authority	41,472	350	1,148	42,970	41,380	1,182	40,198	1,590	34	1,624
24	Charitable Donations and Bequests	446	—	24	470	392	13	379	78	(11)	67
25	Environment, Heritage and Local Government	2,661,735	6,277	20,999	2,689,011	2,673,582	21,688	2,651,894	15,429	689	16,118
26	Education and Science	8,921,349	—	570,353	9,491,702	9,355,736	579,521	8,776,215	135,966	9,168	145,134
27	Community, Rural and Gaeltacht Affairs	443,873	—	31,828	475,701	458,686	18,234	440,452	17,015	(13,594)	3,421
28	Foreign Affairs	206,762	—	40,386	247,148	232,173	40,481	191,692	14,975	95	15,070
29	International Co-operation	570,203	—	939	571,142	567,490	1,790	565,700	3,652	851	4,503
30	Communications, Energy and Natural Resources	262,999	15,500	249,184	527,683	473,232	240,699	232,533	54,451	(8,485)	45,966
31	Agriculture, Fisheries and Food	1,599,081	—	404,353	2,003,434	1,937,842	408,140	1,529,702	65,592	3,787	69,379
32	Transport	2,515,935	78,500	586,629	3,181,064	3,174,757	582,987	2,591,770	6,307	(3,642)	2,665
33	National Gallery	10,934	—	297	11,231	10,903	263	10,640	328	(34)	294
34	Enterprise, Trade and Employment	1,477,388	18,326	87,310	1,583,024	1,550,058	73,253	1,476,805	32,966	(14,057)	18,909
35	Arts, Sport and Tourism	524,076	1,500	5,065	530,641	526,855	4,810	522,045	3,786	(255)	3,531
36	Defence	786,253	3,000	36,330	825,583	804,301	39,434	764,867	21,282	3,104	24,386
37	Army Pensions	209,200	—	5,700	214,900	214,805	5,623	209,182	95	(77)	18
38	Social and Family Affairs	10,917,009	—	213,083	11,130,092	10,877,552	219,040	10,658,512	252,540	5,957	258,497
39	Health and Children	491,174	—	4,316	495,490	425,436	5,600	419,836	70,054	1,284	71,338
40	Health Service Executive	11,886,588	—	3,294,263	15,180,851	15,103,550	3,225,504	11,878,046	77,301	(68,759)	8,542
41	Office of the Minister for Children and Youth Affairs	441,578	—	9,850	451,428	443,884	5,240	438,644	7,544	(4,610)	2,934
Total		47,868,895	128,453	5,978,112	53,975,460	53,118,940	5,915,714	47,203,226	856,520	(62,398)	794,122

Note:

a This includes original estimates (€47.6 billion) and supplementary estimates (€0.3 billion).

b The net surplus (€794.1 million) is the excess of the net appropriations for the year (€48 billion - comprising €47.9 billion supply grants and €0.1 billion amounts deferred from 2008) over the net outturn (€47.2 billion).

Figure 101 Application of Surplus 2009 Appropriations, by Vote

Vote	Service	Net Surplus	Deferred Surrender	Amount to be Surrendered
		€000	€000	€000
1	President's Establishment	590	—	590
2	Department of the Taoiseach	8,451	—	8,451
3	Office of the Attorney General	1,830	—	1,830
4	Central Statistics Office	5,068	—	5,068
5	Office of the Comptroller and Auditor General	1,629	—	1,629
6	Office of the Minister for Finance	3,181	—	3,181
7	Superannuation and Retired Allowances	14,729	—	14,729
8	Office of the Appeal Commissioner	165	—	165
9	Office of the Revenue Commissioners	10,072	—	10,072
10	Office of Public Works	26,840	20,279	6,561
11	State Laboratory	1,063	—	1,063
12	Secret Service	298	—	298
13	Office of the Chief State Solicitor	2,395	—	2,395
14	Office of the Director of Public Prosecutions	335	—	335
15	Valuation Office	2,039	—	2,039
16	Public Appointments Service	2,855	—	2,855
17	Commission for Public Service Appointments	253	—	253
18	Office of the Ombudsman	985	—	985
19	Justice, Equality and Law Reform	7,708	—	7,708
20	Garda Síochána	2,275	—	2,275

Figure 102 Exchequer Extra Receipts 2009, by Vote

Vote	Service	Estimated Extra Receipts	Extra Receipts Realised
		€000	€000
1	President's Establishment	—	—
2	Department of the Taoiseach	—	—
3	Office of the Attorney General	—	—
4	Central Statistics Office	—	22
5	Office of the Comptroller and Auditor General	—	—
6	Office of the Minister for Finance	—	126
7	Superannuation and Retired Allowances	—	—
8	Office of the Appeal Commissioner	—	—
9	Office of the Revenue Commissioners	—	2,564
10	Office of Public Works	—	300
11	State Laboratory	—	—
12	Secret Service	—	—
13	Office of the Chief State Solicitor	—	10
14	Office of the Director of Public Prosecutions	—	129
15	Valuation Office	—	—
16	Public Appointments Service	—	—
17	Commission for Public Service Appointments	—	—
18	Office of the Ombudsman	—	3
19	Justice, Equality and Law Reform	—	—
20	Garda Síochána	23,850	21,384

		€000	€000	€000
21	Prisons	5,759	—	5,759
22	The Courts Service	3,206	—	3,206
23	Property Registration Authority	1,624	—	1,624
24	Charitable Donations and Bequests	67	—	67
25	Environment, Heritage and Local Government	16,118	3,277	12,841
26	Education and Science	145,134	79,000	66,134
27	Community, Rural and Gaeltacht Affairs	3,421	—	3,421
28	Foreign Affairs	15,070	—	15,070
29	International Co-operation	4,503	—	4,503
30	Communications, Energy and Natural Resources	45,966	15,721	30,245
31	Agriculture, Fisheries and Food	69,379	—	69,379
32	Transport	2,665	—	2,665
33	National Gallery	294	—	294
34	Enterprise, Trade and Employment	18,909	6,440	12,469
35	Arts, Sport and Tourism	3,531	—	3,531
36	Defence	24,386	1,000	23,386
37	Army Pensions	18	—	18
38	Social and Family Affairs	258,497	—	258,497
39	Health and Children	71,338	—	71,338
40	Health Service Executive	8,542	—	8,542
41	Office of the Minister for Children and Youth Affairs	2,934	—	2,934
		794,122	125,717	668,405

		€000	€000
21	Prisons	—	—
22	The Courts Service	17,300	24,172
23	Property Registration Authority	46,620	39,976
24	Charitable Donations and Bequests	—	—
25	Environment, Heritage and Local Government	—	2,935
26	Education and Science	—	325
27	Community, Rural and Gaeltacht Affairs	—	333
28	Foreign Affairs	—	—
29	International Co-operation	—	—
30	Communications, Energy and Natural Resources	—	53
31	Agriculture, Fisheries and Food	—	5,173
32	Transport	—	11
33	National Gallery	—	—
34	Enterprise, Trade and Employment	25,356	9,570
35	Arts, Sport and Tourism	—	26
36	Defence	—	3,845
37	Army Pensions	—	—
38	Social and Family Affairs	—	83
39	Health and Children	—	97
40	Health Service Executive	—	309
41	Office of the Minister for Children and Youth Affairs	—	—
		113,126	111,446

