

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 expenditure reports, the Department of Public Expenditure and Reform includes the Social Insurance Fund (€9.2 billion in 2018 estimates) and the National Training Fund (€415 million in 2018 estimates) in total gross expenditure. The Department advises that this is in recognition of the significant expenditure funded by PRSI contributions, the role of the respective departments in relation to the expenditure incurred by those funds and that, where there is a shortfall in these funds in any financial year, the shortfall may be met from moneys provided by Dáil Éireann.

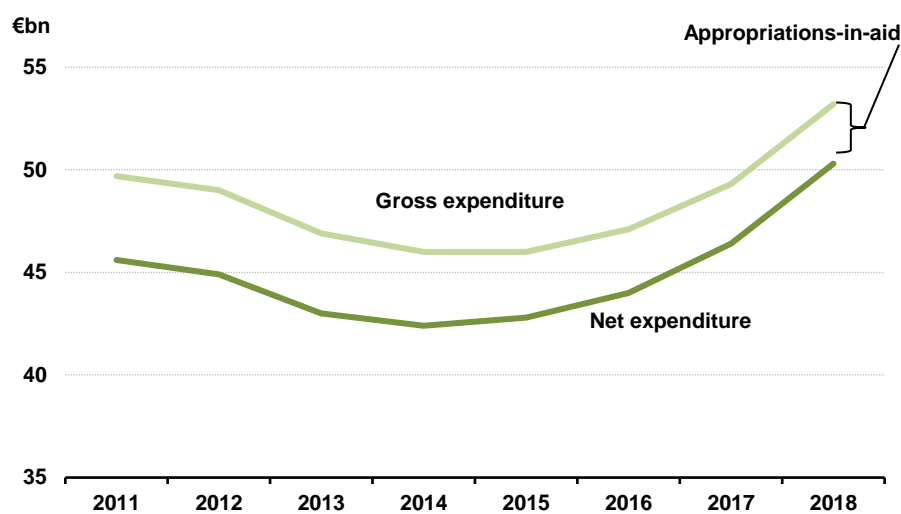
Results of 2018 audits of appropriation accounts

- 3.6** Audits of the 2018 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.
- 3.7** A summary of the amounts appropriated in 2018 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 2018 was €53.6 billion. This comprised supply grants totalling €50.9 billion, capital funding carried over from 2017 totalling €70.3 million and appropriations-in-aid of €2.6 billion.

Vote outturn

- 3.9** Aggregate expenditure and appropriations-in-aid of all votes for the years 2011 to 2018 are presented in Figure 3.1. The total amount spent by departments and offices in 2018 was €53.3 billion (gross). After deduction of realised appropriations-in-aid of over €2.9 billion, the net expenditure in the year was €50.3 billion.

Figure 3.1 Voted expenditure outturn, 2011 to 2018

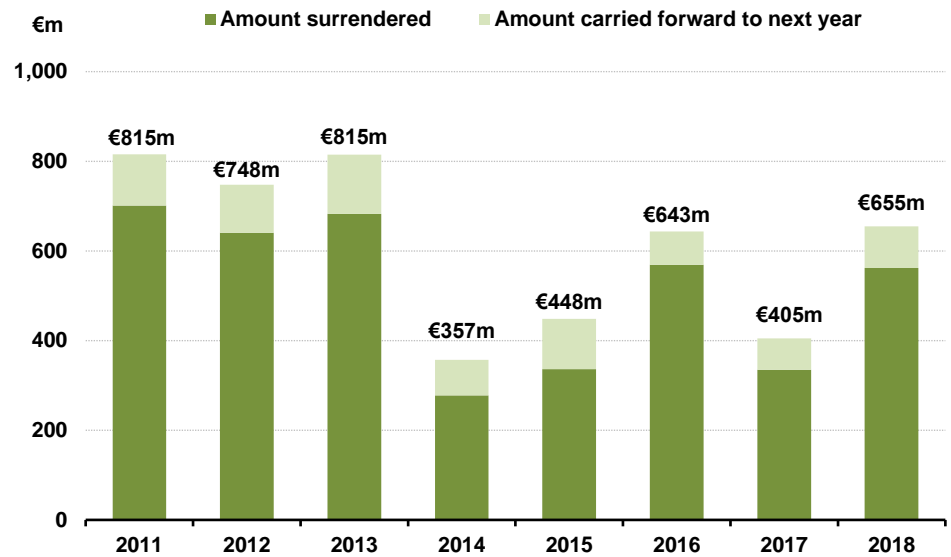


Source: Reports on the Accounts of the Public Services, 2011 to 2018, Annex 3A

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 2018 and surpluses were recorded by all votes.
- 3.12** The 2018 surpluses amounted to €655 million (see Figure 3.2). Of that amount, a total of €93 million was approved for carry over to 2019. The balance of €562 million was due for surrender. The sums liable for surrender or carried over to 2019 for each vote are shown in Annex 3A (Figure 3A.2).

Figure 3.2 Surplus appropriations, 2011 to 2018

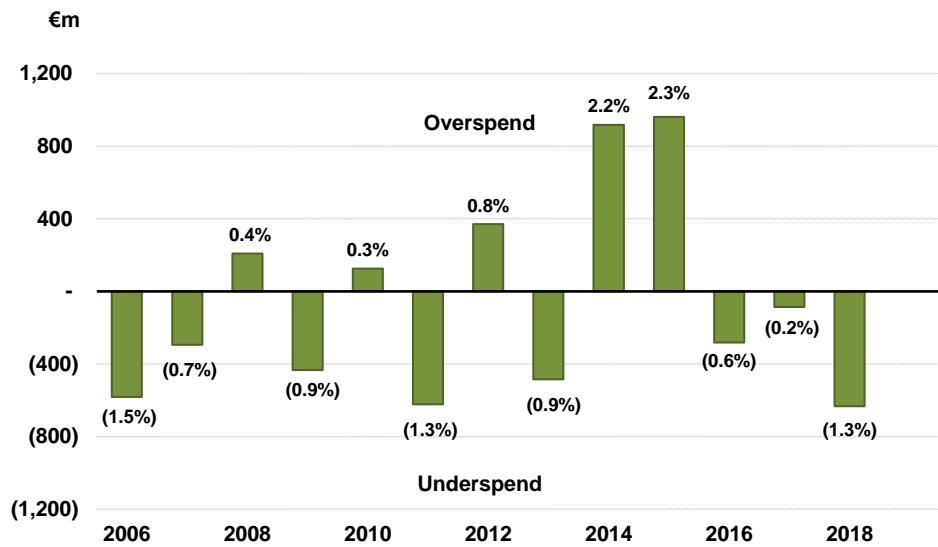


Source: Reports on the Accounts of the Public Service, 2011 to 2018, Annex 3A

Budget variance

3.13 The original estimate amount approved by Dáil Éireann 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 2018 was 1.3% of the original budgeted amount.

Figure 3.3 Net expenditure variance from original budget, all votes, 2006 to 2018



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.

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

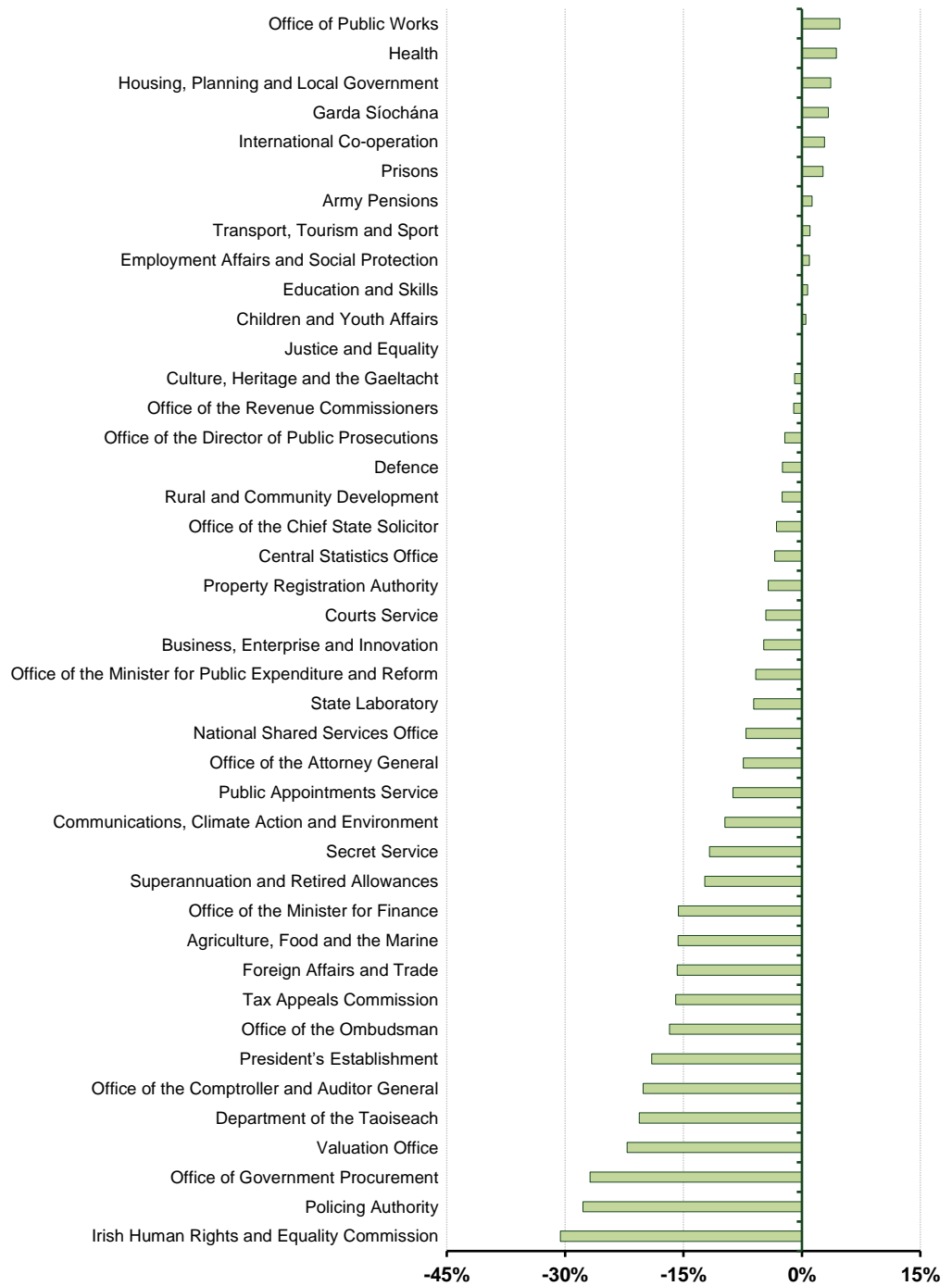
Budget variance by vote

3.14 The three votes with the largest monetary net variance in 2018 were Health (€651 million more than the original estimate), Housing, Planning and Local Government (€117 million more than the original estimate) and Employment Affairs and Social Protection (€99 million more 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 2018.

- For 12 votes, the net expenditure outturn was greater than the original estimate. The Office of Public Works, at 5%, had the largest percentage overspend compared with its original estimate.
- The remaining 30 votes incurred net expenditure less than originally anticipated in the revised estimates. The Irish Human Rights and Equality Commission, at 31%, 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 $\pm 5\%$ different from the amount provided, and at least \pm €100,000.

Figure 3.4 Net expenditure variance by vote, as a proportion of the original budget, 2018



Source: 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 2018, 12 votes required substantive supplementary estimates to increase the overall amount available (see Figure 3.5). These included six votes — Garda Síochána, Army Pensions, Health, Employment Affairs and Social Protection and Transport, Tourism and Sport, and Education and Skills — which have required substantive supplementary estimates most years since 2012.

Exchequer extra receipts

- 3.19** Certain sums collected by departments and offices are directed by the Department of Public Expenditure and Reform to be credited to the Exchequer, and not treated as appropriations-in-aid. This includes court fine receipts, and Property Registration Authority fee 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 2018, the amounts are shown in notes to the relevant appropriation accounts. The total Exchequer extra receipts recorded by departments and offices in 2018 was €286 million (2017: €170 million). The aggregate amount of those receipts reported in each account is set out in Annex 3A (Figure 3A.3).

Figure 3.5 Votes with supplementary estimates, 2012 to 2018^a

Vote	2012	2013	2014	2015	2016	2017	2018
20 Garda Síochána	●	●	●	●	●	●	●
35 Army Pensions	●	●	●	●	●	●	●
38 Health ^b	●	●	●	●		●	●
37 Employment Affairs and Social Protection	●			●	●	●	●
31 Transport, Tourism and Sport	●	●	●	●	●	●	●
26 Education and Skills			●	●	●	●	●
34 Housing, Planning and Local Government	●		●			●	●
21 Prisons			●	●			●
40 Children and Youth Affairs			●	●			●
13 Office of Public Works							●
27 International Co-Operation							●
24 Justice and Equality		●					●
30 Agriculture, Food and the Marine			●	●	●	●	●
22 Courts Service	●		●		●		●
12 Superannuation and Retired Allowances	●		●	●		●	●
32 Business, Enterprise and Innovation	●		●	●	●	●	●
17 Public Appointments Service			●	●		●	
5 Office of the Director of Public Prosecutions						●	
28 Foreign Affairs and Trade					●		
36 Defence			●		●		
6 Office of the Chief State Solicitor				●			
7 Office of the Minister for Finance				●			
18 National Shared Services Office		●		●			
29 Communications, Climate Action and Environment				●			
2 Department of the Taoiseach			●				
33 Culture, Heritage and the Gaeltacht			●				

Source: 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 2018 Revised Estimates for Public Services. For some votes, different titles may have applied in earlier years in which a supplementary estimate was approved.
- b From 2012 to 2014, 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.

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 2018.

Figure 3A.2 shows how surplus appropriations in 2018 were applied — either through deferral of expenditure to 2019, or by surrender to the Exchequer.

Figure 3A.3 shows the Exchequer extra receipts recorded against each vote in 2018.

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 2017	Amount of capital funding not spent in 2017 and carried over for expenditure on capital services in 2018. 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 2017 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 2018 which was carried over for expenditure in 2019. These carry overs were approved by Dáil Éireann.
Surplus to be surrendered	Amount of money appropriated in 2018 but not spent in the year or deferred to 2019, 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 paid directly into the Exchequer.

Figure 3A.1 Summary of appropriations for public services in 2018, by vote

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2017	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	4,321	—	97	4,418	3,589	90	3,499	829	(7)	822
2	Department of the Taoiseach	33,391	—	872	34,263	27,314	801	26,513	6,949	(71)	6,878
3	Office of the Attorney General	15,322	—	799	16,121	14,835	649	14,186	1,286	(150)	1,136
4	Central Statistics Office	48,746	—	1,601	50,347	48,486	1,427	47,059	1,861	(174)	1,687
5	Office of the Director of Public Prosecutions	43,502	—	964	44,466	43,389	830	42,559	1,077	(134)	943
6	Office of the Chief State Solicitor	33,695	—	1,084	34,779	33,982	1,374	32,608	797	290	1,087
7	Office of the Minister for Finance	40,647	—	1,401	42,048	36,137	1,854	34,283	5,911	453	6,364
8	Office of the Comptroller and Auditor General	7,927	—	6,050	13,977	13,059	6,728	6,331	918	678	1,596
9	Office of the Revenue Commissioners	356,879	—	68,621	425,500	424,789	71,611	353,178	711	2,990	3,701
10	Tax Appeals Commission	1,626	—	81	1,707	1,426	60	1,366	281	(21)	260
11	Office of the Minister for Public Expenditure and Reform	56,230	685	3,301	60,216	57,613	4,036	53,577	2,603	735	3,338
12	Superannuation and Retired Allowances	366,151	—	218,750	584,901	573,180	252,128	321,052	11,721	33,378	45,099
13	Office of Public Works	424,214	—	25,749	449,963	449,883	26,240	423,643	80	491	571
14	State Laboratory	9,343	—	935	10,278	9,742	972	8,770	536	37	573
15	Secret Service	1,000	—	—	1,000	883	—	883	117	—	117
16	Valuation Office	10,440	—	1,147	11,587	9,917	1,788	8,129	1,670	641	2,311
17	Public Appointments Service	13,359	60	239	13,658	12,558	314	12,244	1,100	75	1,175
18	National Shared Services Office	43,267	1,429	5,492	50,188	46,802	5,275	41,527	3,386	(217)	3,169
19	Office of the Ombudsman	11,177	—	420	11,597	9,729	426	9,303	1,868	6	1,874
20	Garda Síochána	1,601,522	8,907	124,898	1,735,327	1,729,262	125,787	1,603,475	6,065	889	6,954

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2017	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	338,195	2,233	14,497	354,925	353,923	14,610	339,313	1,002	113	1,115
22	Courts Service	83,607	6,000	48,569	138,176	135,003	49,508	85,495	3,173	939	4,112
23	Property Registration Authority	28,734	—	569	29,303	28,266	759	27,507	1,037	190	1,227
24	Justice and Equality	377,779	741	81,478	459,998	455,731	85,027	370,704	4,267	3,549	7,816
25	Irish Human Rights and Equality Commission	6,588	—	115	6,703	4,664	92	4,572	2,039	(23)	2,016
26	Education and Skills	9,338,247	—	481,795	9,820,042	9,810,643	586,860	9,223,783	9,399	105,065	114,464
27	International Co-operation	514,306	—	1,170	515,476	514,459	1,240	513,219	1,017	70	1,087
28	Foreign Affairs and Trade	192,898	—	45,243	238,141	228,066	65,685	162,381	10,075	20,442	30,517
29	Communications, Climate Action and Environment	343,083	6,000	237,855	586,938	552,365	237,297	315,068	34,573	(558)	34,014
30	Agriculture, Food and the Marine	1,250,842	23,800	312,069	1,586,711	1,546,253	471,783	1,074,470	40,458	159,714	200,172
31	Transport, Tourism and Sport	2,048,808	10,950	24,477	2,084,235	2,062,925	26,347	2,036,578	21,310	1,870	23,180
32	Business, Enterprise and Innovation	818,961	—	52,000	870,961	836,970	57,725	779,245	33,991	5,725	39,716
33	Culture, Heritage and the Gaeltacht	298,759	700	4,200	303,659	302,311	5,654	296,657	1,348	1,454	2,802
34	Housing, Planning and Local Government	3,330,618	—	63,266	3,393,884	3,387,179	69,726	3,317,453	6,705	6,460	13,165
35	Army Pensions	237,634	—	5,000	242,634	242,320	5,167	237,153	314	167	481
36	Defence	686,813	—	20,535	707,348	701,421	31,658	669,763	5,927	11,123	17,050
37	Employment Affairs and Social Protection	10,766,125	1,000	203,305	10,970,430	10,934,247	207,009	10,727,238	36,183	3,704	39,887
38	Health	15,526,909	—	450,221	15,977,130	15,974,789	452,348	15,522,441	2,341	2,127	4,468
39	Office of Government Procurement	20,470	100	550	21,120	15,546	500	15,046	5,574	(50)	5,524
40	Children and Youth Affairs	1,379,010	—	24,515	1,403,525	1,386,854	23,946	1,362,908	16,671	(569)	16,102
41	Policing Authority	3,286	—	61	3,347	2,440	66	2,374	907	5	912
42	Rural and Community Development	208,301	7,700	23,231	239,232	237,483	26,893	210,590	1,749	3,662	5,411
Total		50,922,732	70,305	2,557,222	53,550,259	53,260,433	2,922,290	50,338,143	289,826	365,068	654,893

Source: 2018 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 2018 appropriations, by vote

Vote	Service	Surplus	Deferred	Surplus
		for the year	surrender (to 2019)	for surrender
		€000	€000	€000
1	President's Establishment	822	—	822
2	Department of the Taoiseach	6,878	—	6,878
3	Office of the Attorney General	1,136	—	1,136
4	Central Statistics Office	1,687	—	1,687
5	Office of the Director of Public Prosecutions	943	—	943
6	Office of the Chief State Solicitor	1,087	—	1,087
7	Office of the Minister for Finance	6,364	—	6,364
8	Office of the Comptroller and Auditor General	1,596	—	1,596
9	Office of the Revenue Commissioners	3,701	—	3,701
10	Tax Appeals Commission	260	—	260
11	Office of the Minister for Public Expenditure and Reform	3,338	—	3,338
12	Superannuation and Retired Allowances	45,099	—	45,099
13	Office of Public Works	571	—	571
14	State Laboratory	573	—	573
15	Secret Service	117	—	117
16	Valuation Office	2,311	—	2,311
17	Public Appointments Service	1,175	—	1,175
18	National Shared Services Office	3,169	1,168	2,001
19	Office of the Ombudsman	1,874	—	1,874
20	Garda Síochána	6,954	3,581	3,373

Figure 3A.3 Exchequer extra receipts 2018, by vote

Vote	Service	Extra receipts realised
		€000
1	President's Establishment	—
2	Department of the Taoiseach	27
3	Office of the Attorney General	—
4	Central Statistics Office	—
5	Office of the Director of Public Prosecutions	19,273
6	Office of the Chief State Solicitor	2,540
7	Office of the Minister for Finance	1
8	Office of the Comptroller and Auditor General	—
9	Office of the Revenue Commissioners	1,836
10	Tax Appeals Commission	—
11	Office of the Minister for Public Expenditure and Reform	12
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	3
20	Garda Síochána	2,400

Vote	Service	Surplus for the year	Deferred surrender (to 2019)	Surplus for surrender
		€000	€000	€000
21	Prisons	1,115	—	1,115
22	Courts Service	4,112	2,500	1,612
23	Property Registration Authority	1,227	56	1,171
24	Justice and Equality	7,816	942	6,874
25	Irish Human Rights and Equality Commission	2,016	—	2,016
26	Education and Skills	114,464	—	114,464
27	International Co-operation	1,087	—	1,087
28	Foreign Affairs and Trade	30,517	—	30,517
29	Communications, Climate Action and Environment	34,015	15,000	19,015
30	Agriculture, Food and the Marine	200,172	22,000	178,172
31	Transport, Tourism and Sport	23,180	18,366	4,814
32	Business, Enterprise and Innovation	39,716	27,600	12,116
33	Culture, Heritage and the Gaeltacht	2,802	700	2,102
34	Housing, Planning and Local Government	13,165	—	13,165
35	Army Pensions	481	—	481
36	Defence	17,050	—	17,050
37	Employment Affairs and Social Protection	39,887	1,000	38,887
38	Health	4,468	—	4,468
39	Office of Government Procurement	5,524	96	5,428
40	Children and Youth Affairs	16,102	—	16,102
41	Policing Authority	912	—	912
42	Rural and Community Development	5,411	—	5,411
Total		654,893	93,009	561,884

Source: 2018 Appropriation Accounts

Vote	Service	Extra receipts realised
		€000
21	Prisons	—
22	Courts Service	6,985
23	Property Registration Authority	66,916
24	Justice and Equality	18
25	Irish Human Rights and Equality Commission	—
26	Education and Skills	875
27	International Co-operation	—
28	Foreign Affairs and Trade	—
29	Communications, Climate Action and Environment	141,023
30	Agriculture, Food and the Marine	978
31	Transport, Tourism and Sport	38,634
32	Business, Enterprise and Innovation	279
33	Culture, Heritage and the Gaeltacht	4
34	Housing, Planning and Local Government	2,781
35	Army Pensions	—
36	Defence	8
37	Employment Affairs and Social Protection	12
38	Health	33
39	Office of Government Procurement	89
40	Children and Youth Affairs	1,662
41	Policing Authority	—
42	Rural and Community Development	—
Total		286,389

Source: 2018 Appropriation Accounts

