

Appropriation Account 2024

Vote 38

Health

Introduction

As Accounting Officer for Vote 38, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2024 for the salaries and expenses of the Office of the Minister for Health, including certain services administered by that Office, and for payment of certain grants.

The expenditure outturn is compared with the sums

- granted by Dáil Eireann under the Appropriation Act 2024, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- provided for capital supply services in 2024 out of unspent 2023 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €28.203 million is liable for surrender to the Exchequer.

The statement of accounting policies and principles and notes 1 to 6 form part of the account.

Statement of accounting policies and principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure, National Development Plan Delivery and Reform in circular 20 of 2024 have been applied in the preparation of the account. This includes the application of a number of Central Government Accounting Standards (CGAS) in effect for the year ending 31 December 2024.

Payments to the Health Service Executive

Funds are advanced to the Health Service Executive (HSE) in relation to the provision of services on a grant basis, in line with funding set out in the annual letter of determination which issues to the HSE setting out its approved level of expenditure. Grant funding paid to the HSE in 2024 amounted to €24.111 billion (2023: €21.845 billion) and was charged to the relevant subheads. This is accounted for across 12 subheads – each subhead from subhead I to subhead M.3, excluding subhead M.1, which related to the capital expenditure of agencies under the aegis of the Department other than the HSE.

The Department made an advance payment of €78.109 million to the HSE for payrolls dated 2 January 2025. This amount was charged to a debit account on the statement of financial position.

Depreciation of capital assets

Depreciation of property, plant and equipment and amortisation of intangible assets are calculated and charged in accordance with CGAS 17 and CGAS 31 respectively.

The useful lives and associated rates of depreciation/amortisation for major classes of capital assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of depreciation/ amortisation</i>
IT equipment	5 years	20%
Software licenses	5 years	20%

Statement on internal financial control

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General.

Also, any system of internal financial 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 financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the Service Management Agreement between this Department and the National Shared Services Office for the provision of human resources and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to this Department.

The Accounting Officer for Shared Services has put in place an audit process to provide independent assurance on the operation of controls within shared services. This assurance is a combination of

- Internal audit work performed by the National Shared Services Office Internal Audit Unit, and
- Audits conducted by a firm of accountants in accordance with the International Standard on Assurance Engagements (ISAE 3402), designed to report to user departments and their auditors on the controls within shared services. These audits report on the effectiveness of controls operated in 2024.

Financial control environment

A control environment comprising of 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.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

A framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability.

- 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 Department.
- There are systems aimed at ensuring the security of the ICT systems.
- There are appropriate capital investment control guidelines and formal project management disciplines.

Internal audit and Audit Committee

The Department has an internal audit function which operates in accordance with a written charter which I have approved, and which is led by a qualified member of the Chartered Institute of Internal Auditors. Its work is informed by analysis of the financial risks to which the Department is exposed and its annual internal audit plans, jointly approved by me and the Audit Committee, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. Further internal audit services in 2024 were delivered in compliance with the *Internal Audit Standards for Government Departments and Offices* (2018), as issued by the Department of Public Expenditure, National Development Plan Delivery and Reform.

I confirm that the Department has an independent and qualified Audit Committee in situ, and it has operated satisfactorily throughout the year. I can confirm that the Audit Committee operated in accordance with a Charter which was approved by me.

The internal audit function is reviewed periodically by me and the Audit Committee and is subject to independent quality assessment at least once every 5 years. Further, I have put procedures in place to ensure that the Internal Audit reports are appropriately followed up.

Procurement

The Department ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines.

The Department has provided details of seven non-competitive contracts in excess of €25,000 in the annual return in respect of circular 40/2002 to the Department of Public Expenditure, National Development Plan Delivery and Reform.

Non-compliance with procurement rules

No contracts in 2024 were considered non-compliant with procurement guidelines.

Risk and control framework

The Department 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.

Significant progress has been made in operationalising the Department's revised risk management framework. A quarterly risk reporting cycle has been implemented, increasing engagement with eRisk (risk register) across the Department. September 2024 was designated as 'Spotlight on Risk Month', focusing on key elements of the risk management framework. Risk management training was provided to all staff, emphasising the importance of understanding each step in the risk management process. These initiatives aim to embed a risk-aware culture within the Department.

The Risk Committee met regularly to ensure effective oversight and assurance on risk management. Regular updates on risk management were presented to the Department's Corporate Governance Committee, a sub-committee of the Management Board, which provides assurance to the Accounting Officer regarding the suitability and robustness of the Department's corporate governance systems, processes and procedures. The Governance and Risk Unit also presented an update to the Department's Audit Committee in December, providing further assurance.

The focus during 2025 will be on embedding the risk management framework and further strengthening our risk management capabilities.

Governance in the health sector

The Department's approach to managing governance across the health sector in 2024 is based on the Department of Public Expenditure, National Development Plan Delivery and Reform *Code of Practice for the Governance of State Bodies* (2016). Oversight of aegis bodies is undertaken by the designated units within the Department led at Principal Officer level with input and support from the Department's Governance and Risk Unit and other relevant units.

Responsibility for delivery on the mandate and functions of aegis bodies rests in the first instance with each board, and each chair of the board.

The relationship between the Department and the bodies under its aegis is determined primarily by the underpinning legislation establishing the body, and the requirements set out in the *Code of Practice*.

Under the *Code of Practice*, oversight agreements and performance delivery agreements were in place with aegis bodies during 2024. This approach focuses on outputs and outcomes and includes performance indicators to ensure that resources are used both in an effective and efficient manner to deliver quality services.

A corporate plan covering a three-year period is prepared by the HSE and approved by the Minister for Health. Each year, the HSE continues to prepare a National Service Plan setting out the type and volume of services it intends to provide for the funding available. This National Service Plan complies with section 9.5.2 of the oversight agreement with regards to the requirements of a performance delivery agreement. The *National Service Plan 2024* was approved by the Minister for Health on 7 February 2024 and subsequently laid before both Houses of the Oireachtas as per the legislative requirement in section 31(13) of the Health Act 2004 (as amended) and published by the HSE.

Performance reports are submitted monthly by the HSE during the course of the year, and monthly meetings take place at various levels between the two organisations to discuss ongoing or emerging performance issues and determine actions to improve areas of concern.

In relation to other aegis bodies, legislation generally provides for a multi-annual corporate plan and an annual business plan. These plans allow, respectively for overall corporate strategy and annual priorities to be developed and agreed with the Department.

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 management board, 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.

Review of effectiveness

The Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

An internal audit of risk management policy was undertaken in 2024 which made a number of recommendations, and the Department is implementing these.

Internal financial control issues

Non-compliant transaction

The Department identified one non-compliant payment during 2024. A duplicate payment was made to Longford County Council of €40,000 on 27 November. The payment was flagged as a potential duplicate on the financial management system (FMS). The staff member responsible did not carry out the necessary checks and proceeded with the payment. The full amount of the overpayment was subsequently recouped. The staff member has undergone retraining on the FMS and has been advised of the need for diligence when processing payments.

The procedures around these payments have been reviewed and relevant controls have been revised to minimise the risk of reoccurrence.

Robert Watt
Accounting Officer
Health

24 March 2025

Comptroller and Auditor General

Report for presentation to Dáil Éireann

Vote 38 Health

Opinion on the appropriation account

I have audited the appropriation account for Vote 38 Health for the year ended 31 December 2024 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 38 Health for the year ended 31 December 2024, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Basis of opinion

I conducted my audit of the appropriation account 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 Department of Health 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 the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Unsanctioned ex gratia payment

Note 5.7 discloses a payment of €147,000 (including VAT) made to a company on an ex gratia basis. There was no contract for services in place between the Department and the company, which is owned by two patient advocates.

Under *Public Financial Procedures* (section C7.11), ex gratia payments usually require specific sanction from the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. The Department of Health did not seek such sanction for the ex gratia payment to the company.

Development of primary care centres

Chapter 19 of my *Report on the Accounts of the Public Services* for 2024 examines progress with the delivery of primary care centres.

Seamus McCarthy

Comptroller and Auditor General

11 September 2025

Appendix to the report of the Comptroller and Auditor General

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to Dáil Éireann stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the appropriation account is 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 the appropriation account.

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 appropriation account 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 assess whether the accounting provisions of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer 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 appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Appendix to the report of the Comptroller and Auditor General (continued)**Reporting on the statement on internal financial control**

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account 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, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 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.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 38 Health

Appropriation Account 2024

Service		2024		2023
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Administration				
A.1	Salaries, wages and allowances	49,968	50,488	44,868
A.2	Travel and subsistence	500	566	455
A.3	Training and development	670	651	735
A.4	Operational services, supplies and sundry equipment	1,806	1,313	1,047
A.5	Digital capital investment and IT expenses	2,560	1,751	2,052
A.6	Premises expenses	1,339	1,044	1,266
A.7	Policy reviews, consultancy services and research	1,834	513	765
Grants				
B.1	Grants to research bodies	53,933	51,951	49,038
B.2	Healthy Ireland Fund	16,846	15,384	14,380
B.3	Drugs Initiative	8,436	5,757	5,360
Other Services				
C	Expenses re WHO and other international bodies	3,601	4,535	2,985
D	Statutory and non-statutory inquiries and miscellaneous legal fees and settlements	12,573	7,142	21,027
E.1	Developmental, consultative, supervisory and advisory bodies	124,116	109,692	85,987
E.2	The Food Safety Promotion Board	5,691	5,691	5,664
E.3	The National Treatment Purchase Fund	100,022	100,000	100,000
E.4	Ireland/Northern Ireland INTERREG	784	—	6,074
E.5	Agency Covid actions	130,000	139,000	92,235
F.2	Payments in respect of persons claiming vaccination damage	1	—	—
F.3	Payments to a special account established under Section 10 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002	16,000	12,721	14,551

Service		2024		2023	
		Estimate provision		Outturn	
		€000	€000	€000	
Other services (continued)					
F.4	Payments to a reparation fund established under Section 11 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002		2,000	2,186	2,284
G	Info, conferences and publication for health and health services		1,545	2,532	900
H	Sláintecare		11,936	5,945	6,585
Corporate administrative					
I	Net pension costs				
		Original	738,332		
		Supplementary	82,459		
			820,791	833,091	794,210
HSE health and social care services					
J.1	HSE (including services developments)				
		Original	13,602,269		
		Supplementary	1,347,067		
			14,949,336	15,057,642	13,333,494
J.2	HSE – Covid-19 actions		850,666	850,666	709,857
Other HSE services					
K.1	Health agencies and similar organisations (part funded by the National Lottery)		4,513	—	—
K.2	Payments to Special Accounts – Health (Repayment) Act 2006		1,700	—	—
K.3	Payment to special account established under Section 4 of the Hepatitis C Compensation Tribunal (Amendment) Act 2006 – Insurance Scheme		1,000	1,043	2,228
K.4	Payments to State Claims Agency re clinical negligence				
		Original	435,000		
		Supplementary	50,000		
			485,000	417,046	511,656
K.5	Economic and social disadvantage (dormant account funding)		1,985	710	69

Service	2024		2023
	Estimate provision		Outturn
	€000	€000	€000
Care programme			
L.1 Primary care reimbursement services			
	<i>Original</i>	3,974,193	
	<i>Supplementary</i>	<u>269,474</u>	
		4,243,667	4,216,125
L.2 Primary care reimbursement services – Covid-19 actions		—	—
L.3 Long term residential care		1,161,744	1,169,878
			1,113,700
Capital services			
M.1 Grants in respect of building, equipping (including ICT)		19,927	14,426
M.2 Building and equipment (health facilities)			16,088
	<i>Original</i>	1,058,780	
	<i>Deferred surrender</i>	70,000	
	<i>Supplementary</i>	<u>5,455</u>	
		1,134,235	1,139,742
M.3 Info systems for health agencies		425,188	425,188
M.4 Capital Covid-19 actions (including ICT)		—	—
			50,000
Gross expenditure			
	<i>Original</i>	22,821,458	
	<i>Deferred surrender</i>	70,000	
	<i>Supplementary</i>	<u>1,754,455</u>	
		24,645,913	24,644,419
			22,319,348
<i>Deduct</i>			
N Appropriations-in-aid		<u>422,705</u>	<u>449,414</u>
			446,374
Net expenditure			
	<i>Original</i>	22,398,753	
	<i>Deferred surrender</i>	70,000	
	<i>Supplementary</i>	<u>1,754,455</u>	
		24,223,208	24,195,005
			<u>21,872,974</u>

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2024	2023
	€	€
Surplus	28,203,497	81,449,616
Deferred surrender	—	(70,000,000)
Surplus to be surrendered	28,203,497	11,449,616

Robert Watt
Accounting Officer
Health

24 March 2025

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2024

		2024	2023
	€000	€000	€000
Expenditure on Department administration		56,326	51,188
Expenditure on services and programmes		24,588,093	22,268,160
Gross expenditure		24,644,419	22,319,348
<i>Deduct</i>			
Appropriations-in-aid		449,414	446,374
Net expenditure		24,195,005	21,872,974
Changes in capital assets			
<i>Property, plant and equipment (note 2.1)</i>			
Purchases	(66)		
Depreciation	52		
<i>Intangible assets (note 2.2)</i>			
Amortisation in year	2		
		(12)	(23)
Changes in non-current provisions (note 2.5)		37,795	—
Changes in net current assets			
Decrease in prepayments	1,200		
(Increase) in accrued income	(91)		
Increase in provisions	11,953		
Increase in accrued expenses	6,596		
		19,658	(856)
Direct expenditure		24,252,446	21,872,095
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		21,635	21,268
Net programme cost		24,274,081	21,893,363

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 38 borne elsewhere.

		2024	2023
		€000	€000
Vote 9	Office of the Revenue Commissioners	41	44
Vote 12	Superannuation and Retired Allowances	13,029	12,524
Vote 13	Office of Public Works	7,643	7,963
Vote 18	National Shared Services Office	62	75
Vote 20	Garda Síochána	400	238
Vote 43	Office of the Government Chief Information Officer	138	129
Central Fund – ministerial pensions		322	295
		21,635	21,268

Note 2 Statement of Financial Position as at 31 December 2024

	Note	2024 €000	2023 €000
Fixed assets			
Property, plant and equipment	2.1	112	98
Intangible assets	2.2	2	—
		114	98
Current assets			
Bank and cash		—	63,154
Prepayments	2.3	1,328	2,528
Accrued income		292	201
Other debit balances	2.4	82,844	6,462
Net Exchequer funding	2.8	4,302	—
		88,766	72,345
<i>Less</i>			
Current liabilities			
Provisions	2.5	11,953	—
Accrued expenses	2.6	7,341	745
Bank overdraft		81,490	—
Other credit balances	2.7	5,656	4,752
Net Exchequer funding	2.8	—	64,864
		106,440	70,361
Net current (liabilities)/assets		(17,674)	1,984
Non-current liabilities			
Provisions	2.5	37,795	—
Net (liabilities)/assets		(55,355)	2,082
Represented by:			
State funding account	2.9	(55,355)	2,082

2.1 Property, plant and equipment

	Office and IT equipment €000	Total €000
Cost or valuation		
At 1 January 2024	292	292
Additions	66	66
At 31 December 2024	358	358
Accumulated depreciation		
At 1 January 2024	194	194
Depreciation for the year	52	52
At 31 December 2024	246	246
Net assets		
At 31 December 2024	112	112
At 31 December 2023	98	98

2.2 Intangible assets

	Acquired software licences €000	Total €000
Cost or valuation		
At 1 January 2024	—	—
Adjustment ^a	119	119
Additions	—	—
At 31 December 2024	119	119
Accumulated depreciation		
At 1 January 2024	—	—
Adjustment	115	115
Amortisation for the year	2	2
At 31 December 2024	117	117
Net assets		
At 31 December 2024	2	2
At 31 December 2023	4	4

Note ^a The Department conducted a review of its software licenses and identified six server access licences that should be treated as intangible assets. These assets were previously expensed and are being adjusted onto the register in 2024.

2.3 Prepayments

at 31 December	2024	2023
	€000	€000
Healthy Ireland Fund	703	1,708
Sláintecare Integration Fund	276	267
Other prepayments	174	153
Queens University Belfast	113	—
Training	62	—
GAA Healthy Clubs	—	400
	1,328	2,528

2.4 Other debit balances

at 31 December	2024	2023
	€000	€000
HSE debtor	78,109	—
Hepatitis C Compensation Tribunal	3,532	6,060
Department salaries	1,069	—
Other debit suspense items	77	238
Recoupable travel pass scheme expenditure	50	56
Recouple travel expenditure	7	4
Recoupable salaries	—	6
Transfer of functions to Department of Children, Equality, Disability, Integration and Youth	—	98
	82,844	6,462

2.5 Provisions

at 31 December	2024^a
	€000
Awards and reparations Hepatitis C Tribunal	35,603
Other legal provisions	14,145
Total	49,748
Current liabilities	11,953
Non-current liabilities	37,795

Note ^a In 2024, the Department introduced provisions using net present values into the accounts in compliance with CGAS 19 Provisions, Contingent Liabilities and Contingent Assets. Prior year calculations were not required.

2.6 Accrued expenses

at 31 December	2024	2023
	€000	€000
Hepatitis C awards	2,129	—
Administration expenses	1,548	520
Holiday pay accrual	1,016	—
Payroll accrual	973	—
International horizon scanning initiative	1,205	—
Other accruals	273	122
Irish Blood Transfusion Service	88	26
Healthy Ireland Fund	55	—
Legal fees	46	—
National Advisory Service	8	77
	7,341	745

2.7 Other credit balances

at 31 December	2024	2023
	€000	€000
Amounts due to the state		
Income tax	630	578
Pay related social insurance	475	404
Universal social charge/income levy	126	119
Local property tax	2	2
Value added tax	118	7
Professional services withholding tax	38	42
	1,389	1,152
Suspense		
Payroll deductions held in suspense	321	274
EU funding	3,945	3,316
Other credit suspense items	1	10
	4,267	3,600
	5,656	4,752

2.8 Net Exchequer funding

at 31 December	2024	2023
	€000	€000
Surplus to be surrendered	28,203	11,450
Deferred surrender	—	70,000
Exchequer grant undrawn	(32,505)	(16,586)
Net Exchequer funding	(4,302)	64,864

Represented by:**Debtors**

Bank and cash	—	63,154
HSE debtor	78,109	—
Debit balances: suspense	4,735	6,462
	<u>82,844</u>	<u>69,616</u>

Creditors

Due to the State	(1,389)	(1,152)
Bank overdraft	(81,490)	—
Credit balances: suspense	(4,267)	(3,600)
	<u>(87,146)</u>	<u>(4,752)</u>
	(4,302)	64,864

2.9 State funding account

	Note	2024	2023
		€000	€000
Balance at 1 January		2,082	1,204
Disbursements from the Vote			
Estimate provision	Account	24,223,208	
Surplus to be surrendered	Account	(28,203)	
Net vote		24,195,005	21,872,973
Expenditure borne elsewhere	1.1	21,635	21,268
Intangible asset net adjustment		4	—
Net programme cost	1	(24,274,081)	(21,893,363)
Balance at 31 December		(55,355)	2,082

2.10 Commitments

	2024	2023
a) Global commitments	€000	€000
at 31 December		
Procurement of goods and services	—	— ^a
Non-capital grant programmes	34,965	34,567
Capital grant programmes	33,899	37,164
Total of legally enforceable commitments	68,864	71,731
b) Non-capital grant programmes	€000	€000
Opening balance 1 January	34,567	32,711
New grant commitments	43,225	18,951
Grants paid in the year	(32,301)	(16,405)
Grants cancelled	(10,526)	(690)
Closing balance 31 December	34,965	34,567
c) Capital grant programmes	€000	€000
Opening balance	37,164	48,256
Grants paid in the year	(9,561)	(9,856)
New grant commitments	6,339	—
Grants cancelled	(43)	(1,236)
Closing balance	33,899	37,164

Note ^a DPENDR circular 20/2024 *Requirements for Appropriation Accounts 2024* states that only the future cost of non-cancellable contracts is to be disclosed, along with the prior year amounts.

2.11 Matured liabilities

at 31 December	2024	2023
	€000	€000
Estimates of matured liabilities not discharged at year end	473	—

2.12 Contingent liabilities

The Department is involved in a number of claims involving legal proceedings which may generate liabilities, depending on the outcome of the litigation.

As provided for in section 109 of CGAS 19 *Provisions, Contingent Liabilities and Contingent Assets*, the Department has decided not to disclose specific details of open cases involving contingent liabilities, in order to avoid prejudicing its position in ongoing litigation.

2.13 Contingent asset: bonded payments by the NPHDB

In 2024, the standing conciliator on the New Children's Hospital capital project made a number of recommendations in relation to claims from BAM (the principal contractor for the project) for adjustments to the contract sum which were disputed by the National Paediatric Hospital Development Board (NPHDB- the employer) under the terms of the public works contract.

The NPHDB subsequently issued a 'notice of dissatisfaction' to the conciliator's recommendations.

The main contractor initiated court proceedings in respect of the claims, and provided bonds against the value of the conciliator's recommendations.

Bond payments in the conciliation process

Payments under bond are made as part of the dispute resolution process as outlined in the public works contract. A bond is taken out only when a conciliator's recommendation has been rejected, and the matter has been referred to arbitration or the High Court.

A bonded payment allows the recommended payment to be reclaimed if a subsequent decision reverses the payment, in this case the High Court.

In line with the dispute resolution process, the NPHDB was required to pay the recommended amount to the contractor, with the bond providing security for the payment until the dispute is resolved in the courts.

The NPHDB has complied with all of its payment obligations as determined under the dispute resolution mechanisms under the contract. The bonded payment provides 100% security for the payment until the dispute is resolved in the courts. The conciliation process in relation to these claims is now closed and conciliator's recommendation cannot inform the High Court proceedings.

Vote drawdown process and treatment of the bonded payments in financial statements

The basics of the grant drawdown process for the New Children's Hospital capital project is that NPHDB submits its drawdown requests to the HSE. The HSE in turn include these amounts in its drawdown requests from the Department of Health. These payments are drawn down from the health capital vote (sub head M.2).

The substance and legal form of the bonded payments is that they are 'payable' items rather than 'expense' items as they are not a certified payment against the contract.

In light of this, the amount of the bond payments to the value of €164.7 million (VAT inclusive) is reflected as a contingent asset (per paragraph 39 and 105 of GGAS 19 *Provisions, Contingent Liabilities and Contingent Assets*) in the appropriation account of the health vote, as, in the event that this payment is not certified against the contract, this amount will be repayable by the NPHDB to the HSE and in turn by the HSE to the Department of Health.

This treatment is in line with that applied in the NPHDB Financial Statements (audited by the Office of the Comptroller and Auditor General) where the bonded payments to the contractor are not recorded in the value of capital commitments contracted for and the amount relating to the bond is carried by the NPHDB as a balance due to the HSE as in the event that this payment is not certified against the contract this amount will be repayable to the HSE.

2.14 HSE balance

at 31 December	2024	2023
	€000	€000
Opening liability 1 January	(417,950)	(463,523)
Determination	(24,111,124)	(21,846,895)
Grants issued	24,111,130	21,845,003
HSE debtor advanced payment 2025	78,109	—
Capital first surplus retraction	61,897	47,465
Closing liability 31 December	(277,937)	(417,950)
Net balance with HSE	(277,937)	(417,950)

Note ^a In 2024, total payments issued from the Health Vote to the HSE were more than the amount set out in the Minister's annual letter of determination. €78.1 million of this was advance funding for 2025. The Department of Health has offset the 2023 capital surplus of €67.8 million against the Department's debt to the HSE, giving a net balance owed to the HSE of €277.937 million for 2024.

2.15 Impact of accounting policy changes in 2024

Nine new central government accounting standards (CGAS) were implemented with effect from 1 January 2024. The implementation had the following impact on the State funding balance.

	2024
	€000
Provisions ^a	(49,748)
Holiday accrual ^b	(1,016)
Payroll accrual ^b	(973)
Total	(51,737)

Note ^a CGAS 19 Provisions, Contingent Liabilities and Contingent Assets

^b CGAS 39A Employee Benefits Part A

Note 3 Vote Expenditure

Analysis of administration expenditure

A vote restructure of non- pay administration subheads took place in 2024 requiring costs and budget to be reallocated across subhead A.3, A.4, A.5 and A.6. This restructure was part of the process to modernise the administrative subheads across voted accounts in preparation for the move to the Financial Management Shared Services. The 2023 comparative figures have been re-stated to reflect the new structure.

The following outlines the reasons for significant variations in expenditure from the amount provided. A significant variation is +/- €100,000, and +/- 5% of the amount provided (administration subheads +/- 25%)

Administration expenditure

A.4 Operational services supplies and sundry equipment

Estimate provision €1.806 million; outturn €1.313 million

The underspend of €493,000 was across various budget lines within this subhead.

Demand for in-house catering was lower due to less events held in the Department than previously envisaged. Expenditure on office machinery, printing and binding, as well as some other departmental administration costs were lower than expected. The underspend was subject to virement in 2024.

A.5 Digital capital investment and IT expenses

Estimate provision €2.560 million; outturn €1.751 million

The underspend of €809,000 is largely due to the delay of the IT virtualisation project. Changes to the vendor's ownership and licencing model resulted in delays to the project. The underspend was subject to virement in 2024.

A.7 Policy reviews, consultancy services and research

Estimate provision €1.834 million; outturn €0.513 million

From a budget of €1.834 million, circa €1.500 million was allocated to specific projects. Of this amount, a total of €513,000 was paid out on receipt of invoices for work completed.

There was €442,000 of projects which were either cancelled or finished under budget in 2024. Several projects which had been approved in 2024, did not commence in 2024, including one project for €170,000. The total value of these projects was €531,000 and these are expected to be reflected in the 2025 spend. The underspend was subject to virement in 2024.

Grants to agencies

B.2 Healthy Ireland Fund

Estimate provision €16.846 million; outturn €15.384 million

The variance of €1.462 million occurred as a result of non-grant expenditure being paid out of subhead G instead of B.2 as per Internal Audit recommendations. Virement was sought to increase subhead G in 2024 as a result.

B.3 Drugs Initiative

Estimate provision €8.436 million; outturn €5.757 million

Each year, the Department make payments to projects under the remit of Drug and Alcohol Taskforces. As per the procedures, if there is an unspent surplus arising in a project from the previous year (i.e. 2023) the Department deducts this amount from the project's allocation for 2024. Therefore, the underspend in B.3 in 2024 was due to surpluses in taskforce projects which were deducted from their allocations mid-year. The unspent funds were primarily due to vacant posts in projects. The underspend was subject to virement in 2024.

Other services**C Expenses in connection with the World Health Organisation and other international bodies**

Estimate provision €3.601 million; outturn €4.535 million

The overspend of €934,356 was due to an unfunded Ministerial commitment to increase the Department's contribution to the WHO. The overspend was subject to virement in 2024.

D Statutory and non-statutory inquiries and legal settlements

Estimate provision €12.573 million; outturn €7.142 million

The underspend of €5.431 million is due to two proposed settlements not being finalised by year end. It is expected that these cases will now be concluded in 2025. The underspend was subject to virement in 2024.

E.1 Developmental, consultative, supervisory and advisory bodies

Estimate provision €124.116 million; outturn €109.692 million

The Department advances funds to health agencies up to an approved level of expenditure or actual expenditure whichever is the lesser amount. The Health Information and Quality Authority's expenditure was less than allocation due to delay in filling posts.

Other miscellaneous items of underspend under this subhead, due to the postponement of certain programmes and timing of payments, include Patient Safety Office initiatives, National Screening Advisory Committee, Dental Health Foundation, Health Data Access Bodies, National Immunisation Advisory Committee, Commission on Care for Older People and an underspend on HSE held back funding including Nursing Safe Staffing. The underspend was subject to virement in 2024.

E.4 Ireland/Northern Ireland Interreg

Estimate provision €0.784 million; outturn nil

There was no drawdown in 2024 as the programmes under the Peace Plus programme did not operationalise. It is expected they will be in operation in 2025. The underspend was subject to virement in 2024.

E.5 Agency Covid actions

Estimate provision €130.0 million; outturn €139.0 million

The overspend relates to the increase in funding provided to the National Treatment Purchase Fund to increase capacity under the 2024 Waiting List Action Plan. The overspend was subject to virement in 2024.

F.3 Payments to a Special Account established under section 11 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002

Estimate provision €16.0 million; outturn €12.721 million

The underspend in expenditure of €3.279 million relative to the estimate provision was due to lower than anticipated Tribunal expenditure in the year. The Department is not in a position to forecast precisely the number or value of awards made by the Hepatitis C and HIV Compensation Tribunal, which is independent of the Department. The underspend was subject to virement in 2024.

F.4 Payments to a reparation fund established under section 11 of the Hepatitis C Compensation Tribunal Acts 1997 and 2002

Estimate provision €2.0 million; outturn €2.186 million

Section 11 of the Act provides for the payment of amounts in lieu to claimants who had accepted an award from the Tribunal or an offer of settlement. The increase in expenditure of €186,106 relative to the estimate provision was due to the value of reparation fund payments being higher than anticipated. The overspend was subject to virement in 2024.

G Info, conferences and publication for health and health services

Estimate provision €1.545 million; outturn €2.532 million

The overspend of €986,553 is due to Internal Audit deeming that it is more appropriate for Healthy Ireland campaigns be met from subhead G, as opposed to subhead B.2, where these costs were met in previous years. The overspend was subject to virement in 2024.

H Sláintecare

Estimate provision €11.936 million; outturn €5.945 million

The underspend in expenditure on Sláintecare related primarily to the HSE recruitment pause which resulted in the non-filling of twenty posts in round 2 projects and the non-operationalisation of four round 3 projects in 2024 out of an expected total of nine projects. As a result, the amount of funding which could be disbursed to round 2 and 3 projects in 2024 was reduced, compared to the amount expected to be disbursed. The underspend was subject to virement in 2024.

Corporate administrative

I Net pension costs

Estimate provision €738.332 million; outturn €833.091 million

Subhead I provides for payment of superannuation benefits for HSE employees and includes pensions and retirement lump sums and is net of any superannuation contributions made by existing staff. The introduction of the Single Public Service Pension Scheme (SPSPS) in 2013 requires members of this scheme to remit their contributions centrally to the Exchequer. As members of older schemes retire and are replaced by members of the SPSPS, the amount of income retained by the HSE has fallen thus creating a greater demand on this subhead. In tandem with increased benefits resulting from public sector pay agreements, this has led to the additional expenditure incurred in 2024 above the level of funding provided. Supplementary funding was received of €82.5 million in 2024 and a virement of €2.8 million was provisionally approved.

HSE health and social care services

J.1 HSE (Including service developments)

Estimate provision €13,602.269 million; outturn €15,057.642 million

Subhead J.1 covers all the main HSE core operations service areas, including acute hospitals, primary care, social inclusion, palliative care, mental health, older persons, community services as well as national and support services. The overspend in 2024 was primarily due to deficits in acute hospitals, and to a lesser extent in older person and demand led areas within this subhead.

The main driver of this overspend is payroll costs, arising from higher staffing numbers than the funded level due to over-recruitment towards the end of 2023, as well as substantial expenditure on agency and overtime above the funded levels.

Another significant driver of this overspend is non-pay costs, which are variable based on the levels of demand on the health system. Higher activity volumes than planned and funded in 2024 led to substantial overspends in areas such as drugs and medicines, medical and surgical supplies, laboratory testing and other professional services. Supplementary funding was received of €1,347.1 million in 2024 and a virement of €112.5 million was provisionally approved.

Other HSE services

K.1 Health agencies and similar organisations (part funded by the National Lottery)

Estimate provision €4.513 million; outturn €nil

This grant scheme, partially funded by the National Lottery, is open to voluntary organisations throughout the state. To qualify for the scheme several criteria must be met, and grants are not paid out until all relevant information has been supplied to the satisfaction of the HSE. The HSE did not draw down any funding under this subhead in 2024. The underspend was subject to virement in 2024.

K.2 Payments to Special Account – Health (Repayment) Act 2006

Estimate provision €1.7 million; outturn €nil

The Health (Repayment Scheme) Act 2006 was enacted in June 2006 to provide a legal basis for the repayment of long stay charges that were incorrectly imposed on eligible persons since 1976 under the Health (Charges for In-Patient Services) Regulations 1976 as amended in 1987 or the Institutional Assistance Regulations 1954 as amended in 1965.

The surplus of €1.7 million, with zero expenditure in 2024, was due to the nature of payments under this subhead being such that the timing of funding requests may be unpredictable, particularly if there are queries to be resolved in the verification process, and therefore the timing of payments can be subject to change. Because of the statutory nature of the Scheme, the liabilities arising must be met by the State and therefore it is important to ensure that funding for the Scheme remains in the relevant subhead to meet final liabilities. The underspend was subject to virement in 2024.

K.5 Economic and social disadvantage (dormant account funding)

Estimate provision €1.985 million; outturn €0.710 million

The HSE's dormant account funding scheme is designed to utilize funds from dormant accounts to support health-related projects and initiatives. The scheme aims to support projects that improve health and well-being, particularly for disadvantaged groups and communities. The HSE administers the scheme, whereby grants are given to small community-based organisations, following an open application process. The size of the grants can vary depending on the specific project and its scope. Generally, grants range from €10,000 to €100,000, but larger grants may be available for significant projects that demonstrate substantial impact and need.

The HSE assesses grant applications, approves funding, and draws down the required funding from the Department of Health from subhead K.5. The HSE only drew down €710,000 in funding in 2024, resulting in the underspend of €1.275 million against this subhead. The underspend was subject to virement in 2024.

Care programme

L.1 Primary care reimbursement services

Estimate provision €3,974.193 million; outturn €4,216.125 million

Subhead L.1 provides funding for the Primary Care Reimbursement Service (PCRS) and Local Demand Led Schemes (LDLS), with €3,705 million allocated to PCRS and €269 million allocated to LDLS in 2024. This provides funding for several categories of expenditure including the General Medical Services Scheme, community demand led schemes, the National Drug Management Scheme and national immunisation programmes. All these schemes are demand led.

The overspend in 2024 was largely demand driven, linked to expansion of eligibility, demographic profile (aging population) and availability of more advanced and therefore more costly medicines. The most significant drivers of the deficit in 2024 included the General Medical Services (GMS) scheme drugs expenditure, the Drug Payment Scheme, the Long-Term Illness Scheme and the Flu Vaccination Programme. Supplementary funding was received of €269.5 million in 2024.

Capital services

M.1 Grants in respect of building, equipping (including ICT)

Estimate provision €19.927 million; outturn €14.426 million

The underspend in M.1 was due to timing issues, staff turnover and delays in recruitment across various projects. Anticipating these delays a virement request of €5.5 million to M.2 subhead was approved by DPENDR.

M.2 Buildings and equipment (health facilities)

Estimate provision €1,058.780 million; outturn €1,139.742 million

Expenditure was above the estimate provision in 2024 due to expenditure of €70 million on the National Children's Hospital (NCH) which had been carried forward from 2023. The carry forward of these funds was approved by DPENDR in line with established processes. €5.5 million supplementary funding was granted to the Department for the Office of Public Works (OPW) in relation to Brexit projects. Virements of €5.5 million and €7,000 from M.1 and A.5 were requested and approved. Virement between capital subheads was to optimise overall delivery of the health capital programme.

Note 4 Receipts

4.1 Appropriations-in-aid

		2024		2023
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Recovery of cost of health services provided under regulations of the European Community	240,000	260,000	260,000
2	Receipts from certain excise duties on tobacco products	167,605	167,605	167,605
3	Recoupment of certain Ophthalmic Services Scheme costs from the Social Insurance Fund	6,000	6,645	6,927
4	Recoupment of certain Dental Treatment Services Scheme costs from the Social Insurance Fund	2,000	5,648	3,870
5	Dormant accounts	2,950	710	69
6	Receipts from additional superannuation contributions on public service remuneration	3,900	5,149	4,510
7	Receipts in respect of Special EU Programmes	—	2,663	2,606
8	Miscellaneous receipts	250	994	787
		422,705	449,414	446,374

Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000).

1 Recovery of cost of health services provided under regulations of the European Community

Estimate provision €240.0 million; realised €260.0 million

The variance of €20 million is largely due to a higher than anticipated payment from the UK in respect of European Economic Area (EEA) claims. The UK administration had originally signalled a reduction compared to previous years but ultimately issued payment at the same level in 2024 but will review in 2025.

3 Recoupment of certain Ophthalmic Services Scheme costs from the Social Insurance Fund*Estimate provision €6 million; realised €6.6 million*

Amount is calculated by Department of Social Protection at year end and paid to the Department. As it is a demand led scheme, the receipt is difficult to forecast.

4 Recoupment of certain Dental Treatment Services Scheme costs from the Social Insurance Fund*Estimate provision €2.0 million; realised €5.6 million*

Amount is calculated by Department of Social Protection at year end and paid to the Department. As it is a demand led scheme, the receipt is difficult to forecast.

5 Dormant accounts*Estimate provision €2.95 million; realised €0.71 million*

There was an expectation that the Department would apply for greater dormant account funding above what was eventually applied for.

6 Receipts from additional superannuation contributions on public service remuneration*Estimate provision €3.9 million; realised €5.1 million*

The number of staff in the Department was higher in 2024 than 2023, and some agencies also saw an increase in the number of staff.

7 Receipts in respect of Special EU Programmes*Estimate provision €nil; realised €2.7 million*

In September 2023, the Special EU Programmes Body wrote to the Department to state that it did not expect to make any European Regional Development Fund (ERDF) payments to the Department in 2024, but payments were received for years prior to 2024 as programmes closed.

8 Miscellaneous receipts*Estimate provision €0.250 million; realised €1.0 million*

The variance is largely due to a refund of unspent Covid funding from 2022 (€549,000) and unspent Healthy Ireland grants (€191,000) from 2023.

4.2 Extra receipts payable to the Exchequer

	2024	2023
	€000	€000
Balance at 1 January	—	—
Voluntary surrender of pay	48	37
Transferred to the Exchequer	(48)	(37)
Balance at 31 December	—	—

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents	2024	2023
Department	670	646
HSE direct employees ^a	93,793	94,696
Voluntary (section 38) acute and non-acute services employees	54,475	51,289
Other agencies ^b	2,300	2,191
	151,238	148,822

- Note ^a These figures include employees funded by both the Department of Health and the Department of Children, Equality, Disability, Integration and Youth.
- ^b 'Other agencies' includes all agencies operating under the Department's aegis including those that do not receive direct Exchequer funding.

5.2 Pay

Department remuneration	2024	2023
	€000	€000
Pay	46,091	41,005
Higher, special or additional duties allowances	281	253
Other allowances	3	11
Overtime	104	101
Employer's PRSI	4,092	3,478
Severance pay	—	20
Total pay ^a	50,571	44,868

- Note ^a Salaries as recorded in subhead A1 and H1

HSE remuneration	2024	2023
	€000	€000
Pay	5,779,957	5,265,552
Higher, special or additional duties allowances	679,833	612,889
Arrears	28,388	16,348
Overtime	355,469	303,557
Employer's PRSI	698,840	622,396
Pandemic special recognition payment	45	2,088
Superannuation	1,034,660	997,972
Total pay of HSE direct employees	8,577,192	7,820,802
Agency staff costs	725,980	644,212
Total pay^a	9,303,172	8,465,014

Note ^a The pay costs above do not include cost of employees in the voluntary sector. These figures include employees funded by both the Department of Health and the Department of Children, Equality, Disability, Integration and Youth.

Remuneration of other agencies staff	2024	2023
	€000	€000
Pay	95,205	82,413
Higher, special or additional duties allowances	373	335
Other allowances	92	102
Overtime	27	12
Employer's PRSI	9,970	8,590
Total pay^a	105,667	91,452

Note ^a Other agencies include agencies operating under the Department's aegis that receive direct Exchequer funding, other than the HSE.

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2024 €	2023 €
Department staff				
Higher, special or additional duties allowances	31	14	27,563	42,541
Other allowances	13	—	1,685	4,805
Overtime	19	4	21,980	21,847
Extra remuneration in more than one category	4	4	27,184	26,760
Agency staff ^a				
Higher, special or additional duties allowances	91	7	17,690	29,921
Other allowances	17	—	6,394	6,394
Overtime	36	—	3,541	4,144
Extra remuneration in more than one category	—	—	—	6,265

Note ^a Other agencies include agencies operating under the Department's aegis that receive direct Exchequer funding, other than the HSE.

5.4 Department employee pay bands

The number of Department employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2024	2023
20,000	59,999	324	372
60,000	69,999	73	66
70,000	79,999	70	63
80,000	89,999	63	49
90,000	99,999	51	36
100,000	109,999	28	18
110,000	119,999	20	10
120,000	129,999	14	2
130,000	139,999	2	2
140,000	149,999	—	—
150,000	159,999	—	1
160,000	169,999	1	2
170,000	179,999	2	3
180,000	189,999	3	—
190,000	199,999	—	1
200,000	209,999	1	—
210,000	249,999	—	—
250,000	259,999	—	1
260,000	289,999	—	—
290,000	299,999	—	1
300,000	309,999	1	—

5.5 Remuneration and benefits of Accounting Officer

The Accounting Officer's remuneration and taxable benefits for the financial year was as follows.

	2024	2023
	€000	€000
Basic pay	305	297
	305	297

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the Established New Entrants Post 2004 Pension Scheme and his entitlements to retirement benefits do not extend beyond the standard terms of that pension scheme.

5.6 Payroll overpayments

at 31 December	Number of recipients	2024 €	2023 €
Overpayments	44	222,670	119,437
Recovery plans in place	17	11,746	12,939

Overpayments to the value of €25,165 were transferred to other public service bodies.

The National Shared Services Office (NSSO) provides payroll processing services for the Department. In 2024, they performed an audit of their systems to validate the accuracy of the overpayments. The results of this exercise have led to a notable increase that the NSSO and local HR will work together to address.

5.7 Ex-gratia payments

A total payment amounting to €147,231 was made to a company owned by two patient representatives during 2024.

The sanction of the Department of Public Expenditure, National Development Plan Delivery and Reform was not sought in the manner provided for in the Department's *Public Financial Procedures* guidelines.

Note 6 Miscellaneous

6.1 Committees, commissions and special inquiries

Fixed purpose commission	Year of appointment	Cumulative expenditure to the end of 2024 €000	Expenditure in 2024 €000	Expenditure in 2023 €000
<i>Sodium Valproate Inquiry</i> ^a	2024	373	373	—
Cervical Check Tribunal	2020	4,198	424	569
		4,571	797	569

Note ^a Government approval to establish the inquiry into the historical licensing and use of sodium valproate in women of childbearing potential in the State was provided on 11 July 2023. On 26 June 2024, the Minister appointed Brid O'Flaherty BL to chair the inquiry

6.2 EU funding

The amount of €2.6 million received in 2024 from the ERDF/INTERREG and shown as appropriations-in-aid was received to co-finance recorded expenditure from subhead E.4 in previous years.

The Department of Health operates an EU suspense account to record receipts and expenditure not borne of the Vote. In 2024, €1.82 million was received into the account from the EU and €1.2 million was paid out to recipients.

6.3 Compensation and legal costs

Payments/costs paid by the Department/Office in the year

	Claims by		Total 2024	Total 2023
	Employees	Members of the public		
Number of cases	1	20	21	37
	€000	€000	€000	€000
Department's own legal costs	—	742	742	2,121
Payments by/on behalf of Department/Office				
Compensation	38	3,787	3,825	15,588
Legal costs	—	725	725	2,334
Other costs	—	40	40	167
2024 Total	38	5,294	5,332	20,210
2023 Total	—	20,210	20,210	20,210

6.4 Special Obstetrics Investment Fund (SOIS)

In 2008, the Minister for Health established a Special Obstetrics Indemnity Scheme. Under the scheme, the Minister agreed to indemnify Bon Secours Hospital (Cork) and Mount Carmel Hospital in respect of specified obstetric claims. A fund was established with contributions from the two hospitals, the Medical Protection Society and the Department of Health. Claims are paid by the State Claims Agency as they arise. The Minister for Health has authorised the State Claims Agency to draw down moneys from the fund to cover the cost of claims.

In 2024, the Mount Carmel SOIS fund was fully utilised and, as per the participation agreement, the balance requiring reimbursement was charged to the Clinical Indemnity Scheme.

At 31 December 2024, the balance on the fund totalled €2.958 million (2023: €4.437 million). The fund is managed by the National Treasury Management Agency and the related income and expenditure is reflected in the annual financial statements of the State Claims Agency.

6.5 Residential Institutions Statutory Fund

On 17 October 2024, a religious order, the Sisters of Mercy, paid €115,000 to the Department under Section 42 of the Residential Institutions Statutory Fund Act 2012 (the Act). Under the Act, such funds may only be utilised to progress the NCH.

The funds were received into a special account held by the Department which was established under Section 43(1) of the Act.

Consent from Minister for Public Expenditure, National Development Plan Delivery and Reform Under Section 43(3) of the Act to transfer these funds to HSE was received on 18 December 2024. The funds were transferred to the HSE on 20 December 2024.

6.6 National Lottery funding

		2024		2023
		Estimate	Outturn	Outturn
		€000	€000	€000
Subhead				
K.1	Health agencies and similar organisations (part funded by the National Lottery)	4,513	—	—
		4,513	—	—

6.7 Late interest payments and compensation payments

	2024	2023
	€000	€000
Total of interest payments paid	7	10

6.8 Write-offs

	2024	2023
	€000	€000
Suspense account correction ^a	29	—

Note ^a Two payments were received in 2023 with no identifying details. These payments were held in suspense until the purpose of the payments were identified. Two accounting entries (journals) should have been done to credit subhead A.1 once they were identified but a third entry was made in error. This write off was to correct this error.