

Appropriation Account 2025

Vote 39

Office of Government Procurement

Introduction

The Office of Government Procurement is a division of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. As Accounting Officer for Vote 39, I am required each year to prepare the appropriation account for the Vote and 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 2025 for the salaries and expenses of the Office of Government Procurement.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2025, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €2.414 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, Infrastructure, Public Service Reform and Digitalisation in circular 25 of 2025 have been applied in the preparation of the account. This includes the application of a number of Central Government Accounting Standards (CGAS) brought into effect for periods of account from 1 January 2025.

Change in Vote structure

The Office of Government Procurement Vote (previously Vote 39) and the Office of the Government Chief Information Officer Vote (previously Vote 43) were disestablished at end 2025 and merged with the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation Vote (Vote 11). This reflects the Department's integrated approach to driving public service reform and transformation, including in the areas of digitalisation and public procurement. All assets, liabilities and balances from Vote 39 and Vote 43 will be included in Vote 11 from 1 January 2026 onwards.

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 major classes of capital assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of amortisation</i>
Office and IT equipment	5 years	20%
Acquired/developed software	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 Office.

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 Office and the National Shared Services Office for the provision of human resources, finance 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 Office.

Financial control environment

A control environment comprising 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.
- The Statement on Internal Financial Control for the National Shared Service Office is also relevant given that the National Shared Service Office provides certain services on a shared basis to Vote 39.

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 Office.
- 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 Office has an internal audit function with appropriately trained personnel, located within the Department, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Office 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. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Procurement

The Office 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. Expenditure on goods and services, including the cost of contracted-in staff, amounted to a total of €3.4 million in 2025.

Risk and control framework

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

A risk register is in place which identifies the key risks facing the department and these have been identified, evaluated, and graded according to their significance. The high-level risks facing the Department are reviewed and updated by the Management Board on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

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

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 Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office'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.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2025 that require disclosure in the appropriation account.

David Moloney

Accounting Officer

Office of Government Procurement

6 March 2026

Comptroller and Auditor General

Report for presentation to Dáil Éireann

Vote 39 Office of Government Procurement

Opinion on the appropriation account

I have audited the appropriation account for Vote 39 Office of Government Procurement for the year ended 31 December 2025 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 39 Office of Government Procurement for the year ended 31 December 2025, 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 Office of Government Procurement and of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation 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.

I have nothing to report in that regard.

Seamus McCarthy

Comptroller and Auditor General

19 June 2026

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 39 Office of Government Procurement

Appropriation Account 2025

		2025	2024
	Estimate provision	Outturn	Outturn
	€000	€000	€000
Programme expenditure			
A Delivery of central procurement service	21,096	18,624	19,508
Gross expenditure	21,096	18,624	19,508
<i>Deduct</i>			
B Appropriations-in-aid	615	557	531
Net expenditure	20,481	18,067	18,977

Surplus

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

	2025	2024
	€	€
Surplus to be surrendered	2,414,316	2,931,066

David Moloney
Accounting Officer
Office of Government Procurement

6 March 2026

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2025

	2025	2024
€000	€000	€000
Programme cost	2,666	2,686
Pay	15,234	15,646
Non pay	724	1,176
Gross expenditure	18,624	19,508
<i>Deduct</i>		
Appropriations-in-aid	557	531
Net expenditure	18,067	18,977
Changes in capital assets		
<i>Intangible assets (note 2.2)</i>		
Purchases	(195)	
Amortisation	224	
	29	(280)
Changes in net current assets		
Increase in prepayments	(78)	
Increase in accrued expenses	78	
	—	560
Direct voted expenditure	18,096	19,257
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	2,204	3,314
Notional rent	44	50
Net programme cost	20,344	22,621

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 39 borne elsewhere.

		2025	2024
		€000	€000
Vote 12	Superannuation and Retired Allowances	525	699
Vote 13	Office of Public Works	1,248	1,549
Vote 18	National Shared Services Office	170	735
Vote 43	Office of the Government Chief Information Officer	261	331
		<u>2,204</u>	<u>3,314</u>

Note 2 Statement of Financial Position as at 31 December 2025

	Note	2025 €000	2024 €000
Fixed assets			
Property, plant and equipment	2.1	—	—
Intangible assets	2.2	1,138	1,167
		1,138	1,167
Current assets			
Bank and cash		629	182
Prepayments	2.3	567	489
Other debit balances	2.4	25	387
		1,221	1,058
<i>Less</i>			
Current liabilities			
Accrued expenses	2.5	793	715
Other credit balances	2.6	603	565
Net Exchequer funding	2.7	51	4
		1,447	1,284
Net current liabilities		(226)	(226)
Net assets		912	941
Represented by:			
State funding account	2.8	912	941

2.1 Property, plant and equipment

	Office and IT equipment €000	Total €000
Cost or valuation		
At 1 January 2025	414	414
Additions	—	—
Disposals	(76)	(76)
At 31 December 2025	338	338
Accumulated depreciation		
At 1 January 2025	414	414
Depreciation for the year	—	—
Depreciation on disposals	(76)	(76)
At 31 December 2025	338	338
Net assets		
At 31 December 2025	—	—
At 31 December 2024	—	—

2.2 Intangible assets

	Acquired software licences and developed software €000	Intangible assets under development €000	Total €000
Cost or valuation			
At 1 January 2025	1,263	500	1,763
Additions	—	195	195
Brought into use	695	(695)	—
At 31 December 2025	1,958	—	1,958
Accumulated amortisation			
At 1 January 2025	596	—	596
Amortisation for the year	224	—	224
At 31 December 2025	820	—	820
Net assets			
At 31 December 2025	1,138	—	1,138
At 31 December 2024	667	500	1,167

2.3 Prepayments

at 31 December	2025	2024
	€000	€000
Software licences	250	136
Subscriptions	123	172
Training and development	47	146
IT support	128	21
Other	19	14
	567	489

2.4 Other debit balances

at 31 December	2025	2024
	€000	€000
Payroll debtors	—	358
Recoupable travel pass scheme expenditure	22	21
OPW advances	—	1
Other debit suspense items	3	7
	25	387

2.5 Accrued expenses

at 31 December	2025	2024
	€000	€000
Payroll accrual	504	481
Holiday pay accrual	278	206
Administration expenses	11	28
	793	715

2.6 Other credit balances

at 31 December	2025	2024
	€000	€000
Amounts due to the State		
Income tax	166	189
Pay related social insurance	147	162
Professional services withholding tax	5	25
Value added tax	135	40
Pension contributions	50	54
Local property tax	1	1
Universal social charge	30	38
	<u>534</u>	<u>509</u>
Payroll deductions held in suspense	69	56
	<u>603</u>	<u>565</u>

2.7 Net Exchequer funding

at 31 December	2025	2024
	€000	€000
Surplus to be surrendered	2,414	2,931
Exchequer grant undrawn	<u>(2,363)</u>	<u>(2,927)</u>
Net Exchequer funding	<u>51</u>	<u>4</u>
Represented by:		
Debtors		
Bank and cash	629	182
Debit balances: suspense	<u>25</u>	<u>387</u>
	654	569
Creditors		
Due to the State	(534)	(509)
Credit balances: suspense	<u>(69)</u>	<u>(56)</u>
	<u>(603)</u>	<u>(565)</u>
	<u>51</u>	<u>4</u>

2.8 State funding account

	Note	2025	2024
		€000	€000
Balance at 1 January		941	1,221
Disbursements from the Vote			
Estimate provision	Account	20,481	
Surplus to be surrendered	Account	(2,414)	
Net vote		18,067	18,977
Expenditure (cash) borne elsewhere	1.1	2,204	3,314
Non-cash expenditure – notional rent	1	44	50
Net programme cost	1	(20,344)	(22,621)
Balance at 31 December		912	941

2.9 Commitments

	2025	2024
	€000	€000
Global commitments		
at 31 December		
Procurement of goods and services	356	89

2.10 Impact of accounting policy changes

Commencing from 1 January 2024, central government accounting standards (CGAS) are being implemented on a phased basis. The implementation had the following impact on the State funding balance in the year of account.

	2025	2024
	€000	€000
Holiday accrual ^a	—	(481)
Payroll accrual ^a	—	(206)
	—	(687)

Note ^a CGAS 39A Employee Benefits Part A

Note 3 Vote Expenditure

Analysis of administration expenditure

All of the allocation for Vote 39 Office of Government Procurement is classified as administration expenditure applied towards a single programme: Delivery of central procurement service.

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages, pensions and allowances	16,465	15,234	15,646
ii	Travel and subsistence	153	136	127
iii	Training and development	125	68	375
iv	Operational services, supplies and sundry equipment	118	104	159
v	Digital capital investment and IT expenses	384	227	296
vi	Premises expenses	245	185	154
vii	Policy reviews, consultancy services and research	50	4	66
		17,540	15,958	16,823

Significant variations

The following notes outline the reasons for significant variations (at least +/- 25% and €100,000) in administration expenditure.

v Digital capital investment and IT expenses

Estimate provision €384,000; outturn €227,000.

The saving of €157,000 in 2025 is due to lower than expected costs for the provision of software licences and savings due to the move of Office of Government Procurement staff to divisions of the Department in early 2025.

Programme A Delivery of Central Procurement Service

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	16,465	15,234	15,646
A.2	Administration – non pay	1,075	724	1,176
A.3	Procurement consultancy and other costs	3,556	2,666	2,686
		21,096	18,624	19,508

Significant variations

The following notes outline the reasons for significant variations in non-administration programme expenditures (at least +/- 5% and €100,000).

A.3 Procurement consultancy and other costs

Estimate provision €3.556 million; outturn €2.666 million

The saving of €890,000 in 2025 was driven by delays and tendering on a training services contract.

Note 4 Receipts and Revenue

4.1 Appropriations-in-aid

		2025		2024
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Additional superannuation contributions	465	382	412
2	Miscellaneous	150	175	119
		615	557	531

4.2 Revenue of the Vote

Appropriations-in-aid represent cash amounts received in the year. Revenue of the Vote represents income related to the activity of the year, based on the accrual principle.

	2025 €000
Non-exchange transaction revenue	
Central Fund grant	18,067
Additional superannuation contributions	382
Exchange transaction revenue	
Rendering of services	23
Other revenue	
Miscellaneous	152
Total revenue	18,624
Represented by	
Total appropriation-in-aid (note 4.1)	557
Central Fund grant	18,067
	18,624

4.3 Extra receipts payable to the Exchequer

	2025 €000	2024 €000
Balance at 1 January	—	—
Purchasing card rebates	30	22
Transferred to the Exchequer	(30)	(22)
Balance at 31 December	—	—

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

At 31 December	2025	2024
Number of staff at year end	<u>210</u>	<u>230</u>

5.2 Pay

	2025	2024
	€000	€000
Pay	13,827	14,153
Higher, special or additional duties allowances	7	52
Employer's PRSI	<u>1,400</u>	<u>1,441</u>
	<u>15,234</u>	<u>15,646</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2025 €	2024 €
Higher, special or additional duties allowances	4	—	6,152	20,524

5.4 Office of Government Procurement employee pay bands

The number of Office 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	2025	2024
20,000	59,999	131	157
60,000	69,999	31	22
70,000	79,999	20	17
80,000	89,999	17	13
90,000	99,999	8	13
100,000	109,999	7	5
110,000	119,999	2	2
120,000	129,999	3	5
130,000	139,999	2	1
140,000	149,999	—	—
150,000	159,999	—	—
160,000	169,999	—	2
170,000	179,999	—	1
180,000	189,999	2	—

5.5 Remuneration and benefits of Accounting Officer

The Accounting Officer for Vote 39 Office of Government Procurement is also the Accounting Officer for Vote 11 Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. His salary and benefits are disclosed in the appropriation account for Vote 11.

5.6 Payroll overpayments

at 31 December	Number of recipients	2025 €	2024 €
Overpayments	21	30,671	20,306
Recovery plans in place	5	15,398	5,378

Note 6 Miscellaneous

6.1 Compensation and legal costs

In 2025, there was one legal case for which the Office of Government Procurement was the respondent in relation to procurement competitions. On 28 February 2025, the Court of Appeal ruled in favour of the Office and included cost orders in favour of the Office. No legal fees were paid in 2025 in relation to these open proceedings.