

Appropriation Account 2025

Vote 40

Children, Disability and Equality

Introduction

As Accounting Officer for Vote 40, 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 the Minister of Children, Disability and Equality, for certain services administered by that Office, and for payment of grants.

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 €38.294 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.

Transfer of function

On 1 May 2025, functions related to international protection and Ukraine accommodation services, refugee and migrant integration and the management of related funds transferred to the Department of Justice, Home Affairs and Migration. This took place under the Integration and Reception (Transfer of Departmental Administration and Ministerial Functions) Order 2025 (SI 159/2025).

At the same date, functions and duties related to youth services and programmes transferred to the Department of Education and Youth. This took place under the Youth (Transfer of Departmental Administration and Ministerial Functions) Order 2025 (SI 181/2025).

On 2 May 2025, the Department of Children, Equality, Disability, Integration and Youth was renamed the Department of Children, Disability and Equality. This took place under the Children, Equality, Disability, Integration and Youth (Alteration of Name of Department and Title of Minister) Order 2025 (SI 180/2025).

A further revised estimate for the Department, reflecting the changes arising from the transfer of functions, was passed by Dáil Éireann on 21 May 2025.

Impact of transfer of functions on appropriation account

The appropriation account, which must follow the form and format of the relevant estimate, reflects the above transfer of functions on a full-year basis.

Prior year figures included in the appropriation account and notes reflect the structure of the Department as at 31 December 2024. Notes that wholly relate to transferred areas are not presented in the 2025 Vote 40 account. These include the following note reference numbers as per the 2024 account.

- Note 2.9 Asylum, Migration and Integration Fund
- Note 2.13 Operating lease
- Note 6.4 National Lottery funding

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 commencing from 01 January 2025.

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 assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of depreciation/ amortisation</i>
Buildings	50 years	2%
Furniture and fittings	10 years	10%
Office and IT equipment	5 years	20%
Software	5 years	20%

Valuation of land and buildings

Tailte Éireann valued land and buildings comprising the Children's Detention Centre, Oberstown. The basis of fair value has been derived as follows.

- Land was valued using market-based evidence with reference to comparable land. The land value is reflective of the cost of a site suitable for the modern equivalent asset.
- Property was valued based on market cost data, having regard to the existing use of each property. These are specialist assets, held for the delivery of public services. The valuation reflects the costs of replacing the service potential of the asset rather than its exchange value.

Three assets related to flood and arson defence were excluded from the valuation due to their very specialised nature and the absence of reliable replacement cost information. Commissioning specialist reports was not considered an efficient use of public funds at this time.

Payments to Pobal

Funds are advanced to Pobal in relation to the provision of certain services on an agency basis. Funds not required (e.g. due to lower than anticipated demand) are returned by Pobal to the Department. The net amount advanced to Pobal in the year is charged against the relevant vote subheads in the year (see note 6.1).

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

Certain services are provided to the Department on a shared services basis.

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

I have fulfilled my responsibilities in relation to the requirements of the engagement framework in place between the Office of the Government Chief Information Office and this Department for the provision of ICT shared services.

Agency services

In 2025, Pobal administered several programmes on behalf of the Department across a range of early years programmes, as well as the provision of certain other services on its behalf. Net funding of €1.312 billion was advanced to Pobal in this regard (note 6.1).

The relationship between the Department's Early Years Division and Pobal continues to be governed by an overarching service level agreement (SLA), supported where required by further agreements between the Department and Pobal, including memorandum of understanding, performance delivery agreement (PDA) or programme of work.

The Early Years SLA sets out the purpose, objectives, governance framework and terms of engagement between both parties. Further programme specific detail is included in dedicated PDAs or programmes of work where required. Under the SLA, Pobal remains subject to the *Revised Code of Practice for the Governance of State Bodies*, with the SLA noting that any conflict between the Code and legislation is resolved in favour of statutory provisions. The SLA requires Pobal to furnish the Department with monthly management accounts, monthly activity reporting, and three annual budget reforecasts, as well as copies of audits and risk appetite statements.

An independent review of the Early Learning and Care (ELC) and School-Age Childcare (SAC) operating model was undertaken by Indecon Economic Consultants in 2021. The review, published on 29 March 2022, concluded that a new dedicated State agency under the remit of the Minister for Children, Disability and Equality (the Minister) is the optimal operating model for the ELC and SAC sector for the years ahead. Subsequently, the Department commenced a design and implementation planning phase of this reform project. In December 2023, the Department contracted Indecon Economic Consultants to carry out a phase of research, analysis and stakeholder engagement to inform the design of a dedicated early learning and childcare agency. The Department is consulting and engaging with key Government departments on the findings of the report and the range of matters related to reforming the operating model.

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 senior management of the Department sign off on financial control assurance statements in relation to their individual areas of responsibility. These statements are available to me as Accounting Officer in finalising the appropriation account.

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 the Audit Committee

I confirm that the Department has an internal audit function with appropriately trained personnel and operates in accordance with a written charter which is approved by the Accounting Officer. The function's work is informed by analysis of the risks to which the Department is exposed. Its annual audit plans, which are approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period.

On a periodic basis, I meet with the Head of Internal Audit and with the Chair of the Audit Committee. The Audit Committee meeting minutes and annual report of the Audit Committee are considered by the Department's Management Board.

The Head of Internal Audit is a professional accountant and has a staffing complement of two professional accountants, a higher executive officer and an executive officer. In addition to the permanent staffing, the internal audit function is supported by audit services provided by an external contractor.

Audits are conducted to the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation and Institute of Internal Auditors standards. The internal audit function is reviewed periodically by me and by the Audit Committee.

The internal audit plan for 2025 was approved by me in February 2025. During 2025, internal audit issued eleven reports. On no occasion was a 'no assurance' audit opinion issued. A 'limited assurance' audit opinion was issued on three occasions.

I confirm that there are procedures in place to ensure that the reports and the recommendations of the internal audit function are appropriately pursued.

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. Expenditure on goods and professional and other contracted services, amounted to a total of €21.45 million in 2025.

The Department has provided details to the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation of seven non-competitively procured contracts in excess of €25,000 (exclusive of VAT) in the annual return in respect of circular 40/2002.

Non-compliance with procurement rules

The Department complied with the guidelines with the exception of four contracts in excess of €25,000 (exclusive of VAT) totalling €349,348 (exclusive of VAT) as set out below.

- Three contracts, totalling €266,789, were awarded for additional IT development work. This work formed part of ongoing system development and was delivered by the existing provider, who had originally been appointed through a competitive process.
- One contract with a value of €82,559 related to the software and support for the Department's current financial management system. As the Department will move to the NSSO Financial Management Shared Services, it is not in a position to tender for a replacement system.

The above contracts have been included in the 40/2002 annual return referenced above.

Risk and control framework

The Department has a comprehensive risk management policy and framework in place to manage risk. Risk is overseen by the Risk Management Committee. The Committee is chaired by the Assistant Secretary leading the Organisation and Strategy Development Division and includes nominees from all other Divisions either at Assistant Secretary or Principal Officer level. Risk is formally reviewed on a quarterly basis by the Committee and on a monthly basis at individual unit level. The Management Board and Minister are briefed on corporate risks on a regular basis.

The risk management system involves the identification of risk across the Department and the management actions being taken to address and, to the extent possible, to mitigate those risks.

The system is supported by a risk register which identifies key corporate and unit level risks facing the Department, each of which is identified, evaluated and graded according to their significance. The register details the controls and actions in place or to be taken to mitigate risk and is reviewed and updated by the Risk Management Committee on a quarterly basis.

The system is also supported by a risk appetite statement which is in place for the Department. The Department is prepared to take controlled risks to capitalise on new opportunities so that it can meet its responsibilities and find innovative ways of furthering its objectives. It recognises that its appetite for risk varies according to the activity undertaken across the Department's broad range of functions. It will have no tolerance for risks that

- affect the protection, safety and welfare of children
- impact on the application of sound financial controls or
- compromise the delivery of legislative or regulatory requirements.

It has a high-risk appetite for areas of our work involving (i) the development and implementation of new services or (ii) the management of emergency or crisis events.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes. 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 risk management is in operation in the Department, 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 controls is informed by the work of the Internal Audit Unit and the external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework. The Department actively implements recommendations from internal audits. The risk management and risk registers are a standing item on the Audit Committee's agenda.

Internal financial control issues

Early learning and childcare: Core Funding controls

Core Funding is a major grant scheme, initially introduced in the 2022/23 programme year, for Early Learning and Childcare (ELC) and School-Age Childcare (SAC) providers, designed to support affordability, accessibility, quality, sustainability, transparency and evidence-based policy development across the sector.

As the only supply-side funding scheme in the system, it operates under a discrete governance framework, which is administered by Pobal on the Department's behalf. Both the scheme and its control environment have evolved annually since introduction. Key controls include fee management controls and reviews, system-based application and payment validations, annual accountant-certified financial reporting, and compliance and recovery processes in respect of payment irregularities.

During the 2024/25 programme year, 30 pilot onsite inspections were conducted in services receiving the Graduate Lead Educator Premium (GLEP) to test and refine compliance monitoring and inform future assurance activity. Providers must comply with the terms of the Core Funding Agreement, including fee management rules, financial reporting requirements and quality obligations.

In February 2026, alleged irregularities involving a number of specified organisations in receipt of Core Funding were brought to the Department's attention. Following an initial assessment by the Early Years Division, supported by Pobal, the matter was escalated to a formal administrative review as well as being reported to the relevant authorities. Core Funding payments to the organisations concerned were suspended in June 2026. Following consultation with the Department, Pobal's Compliance Audit and Risk Directorate (Pobal CAR) undertook onsite compliance inspections of a number of sites belonging to the organisations concerned. An independent forensic review covering the 2022/23 to 2025/26 programme years was commissioned to validate claims, identify any overpayments, quantify any losses, support findings with evidence and recommend control improvements.

The Department is strengthening governance and controls through enhanced Core Funding Agreement provisions, improved analytics and system controls, and expanded provider compliance support, while also working with Pobal to expand Core Funding validations and verifications. In 2026, Pobal CAR commenced unannounced onsite verification visits to SAC services operating on school grounds outside term time, with 166 services visited to date. New SAC regulations will introduce independent Tusla verification of service capacity and operational elements, including maximum operating hours and weeks, providing additional independent assurance. Together, these measures will strengthen compliance, oversight and assurance arrangements, helping to safeguard public funds and maintain the integrity of the Core Funding scheme.

Debt management

At the end of 2025, Pobal's debt management process recorded a debtor balance of over €5 million against Departmental programmes. This resulted from historic issues, largely associated with closed schemes. Approximately €3 million of this related to historical capital projects dating back to the period 2000-2015. Strengthened controls have been put in place for a number of years and Pobal Integrated Funding Management system is continuously balancing allocations and payments, which includes offsetting amounts due from services against future payments and recording refunds received from services. This debtor balance will be reviewed during 2026 to determine whether any provision or write-off is required.

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

Kevin McCarthy

Accounting Officer

Department of Children, Disability and Equality

22 September 2026

Comptroller and Auditor General Report for presentation to Dáil Éireann

Vote 40 Children, Disability and Equality Opinion on the appropriation account

I have audited the appropriation account for Vote 40 Children, Disability and Equality 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 40 Children, Disability and Equality 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 Department of Children, Disability and Equality 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.

Control of core funding for childcare

The Accounting Officer has disclosed in the statement on internal financial control that alleged irregularities involving a number of organisations in receipt of core funding were brought to the Department's attention in February 2026. The statement sets out the actions taken by the Department in response.

Loss due to late transposition of EU Directive

Note 6.6 to the appropriation account discloses the payment in 2025 of a fine arising from the late transposition into Irish law of the 2019 EU Directive on work-life balance for parents and carers. Under article 20(1) of the Directive, full transposition by member states was required by August 2022. Ireland completed the transposition in March 2024 – around 19 months after the deadline.

The EU Commission had commenced infringement proceedings against Ireland in the European Court of Justice in September 2022 arising from the delay. Proceedings before the Court of Justice commenced in January 2024. On 1 August 2025, the Court issued its judgement and imposed a lump-sum fine of €1.54 million on Ireland for the failure to transpose the Directive on time.

Seamus McCarthy
Comptroller and Auditor General

23 September 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 40 Children, Disability and Equality

Appropriation Account 2025

		2025		2024
		Estimate provision		Outturn
		€000	€000	€000
Programme expenditure				
A	Children and family support programme			
	<i>Original</i>	1,238,977		
	<i>Supplementary</i>	59,003		
			1,297,980	1,297,529
				1,100,684
B	Sectoral programmes for children and young people			
	<i>Original</i>	1,404,179		
	<i>Supplementary</i>	(28,105)		
			1,376,074	1,345,594
				1,237,012
C	Policy and legislation programme			
	<i>Original</i>	179,784		
	<i>Supplementary</i>	(80,752)		
			99,032	90,289
				106,685
D	An equal and inclusive society			
	<i>Original</i>	3,304,926		
	<i>Supplementary</i>	263,560		
			3,568,486	3,563,948
				3,120,434
—	<i>A fair and efficient support system for international protection seekers</i>		—	—
				2,301,366
Gross expenditure				
	<i>Original</i>	6,127,866		
	<i>Supplementary</i>	213,706		
			6,341,572	6,297,360
				7,866,181
<i>Deduct</i>				
F	Appropriations-in-aid		25,994	27,766
				30,863
Net expenditure				
	<i>Original</i>	6,101,872		
	<i>Supplementary</i>	213,706		
			6,315,578	6,269,594
				7,835,318

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spend in the following year. €7.69 million of unspent allocations in respect of the capital elements of Subhead B.5 was carried forward to 2026 (see note 6.8).

	2025	2024
	€	€
Surplus	45,984,030	122,972,205
Deferred surrender	(7,690,000)	—
Surplus to be surrendered	<u>38,294,030</u>	<u>122,972,205</u>

Kevin McCarthy
Accounting Officer
Children, Disability and Equality

31 March 2026

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2025

		2025	2024
	€000	€000	€000
Programme cost		6,246,476	7,800,066
Pay		43,456	57,407
Non pay		7,428	8,708
Gross expenditure		6,297,360	7,866,181
<i>Deduct</i>			
Appropriations-in-aid		27,766	30,863
Net expenditure		6,269,594	7,835,318
Changes in capital assets			
Property, plant and equipment (note 2.1)			
Purchases	(1,176)		
Depreciation	1,522		
Intangible assets (note 2.2)			
Purchases	(1,755)		
Amortisation	1,774		
		365	(65,905)
Changes in net current assets			
Decrease in prepayments (note 2.4)	33,072		
Decrease in provisions (note 2.6)	(278)		
Decrease in accrued expenses (note 2.7)	(42,382)		
		(9,588)	8,933
Direct voted expenditure		6,260,371	7,778,346
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		8,752	8,857
Net programme cost		6,269,123	7,787,203

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 40 borne elsewhere.

		2025	2024
		€000	€000
Vote 9	Office of the Revenue Commissioners	41	41
Vote 12	Superannuation and Retired Allowances	3,129	3,559
Vote 13	Office of Public Works	3,540	3,370
Vote 18	National Shared Services Office	187	111
Vote 20	Garda Síochána	619	257
Vote 43	Office of the Government Chief Information Officer	1,153	1,439
Central Fund – ministerial pensions		83	80
		8,752	8,857

Note 2 Statement of Financial Position as at 31 December 2025

	Note	2025 €000	2024 €000
Capital assets			
Property, plant and equipment	2.1	60,683	328,614
Intangible assets	2.2	3,907	6,576
		64,590	335,190
Current assets			
Bank and cash	2.3	—	36,134
Prepayments	2.4	17,320	50,392
Other debit balances	2.5	90,129	18,377
Payments recoverable		—	3,979
		107,449	108,882
<i>Less</i>			
Current liabilities			
Bank and cash	2.3	76,480	—
Provisions	2.6	2,127	2,405
Accrued expenses	2.7	3,922	46,304
Other credit balances	2.8	3,454	6,071
Net Exchequer funding	2.9	10,195	13,963
<i>Asylum, Migration and Integration Fund</i>		—	34,477
		96,178	103,220
Net current assets		11,271	5,662
Net assets		75,861	340,852
Represented by:			
State funding account	2.10	75,861	340,852

2.1 Property, plant and equipment

	Land and buildings €000	Office and IT equipment €000	Furniture and fittings €000	Assets under development €000	Total €000
Cost or valuation					
At 1 January 2025	319,041	73	1,969	26,853	347,936
Additions	1,090	86	—	—	1,176
Transfer ^a	(254,712)	(30)	(1,909)	(26,853)	(283,504)
Revaluation	(5,344)	—	—	—	(5,344)
Adjustment ^b	—	949	—	—	949
Disposals	—	—	(23)	—	(23)
At 31 December 2025	60,075	1,078	37	—	61,190
Accumulated depreciation					
At 1 January 2025	19,012	34	276	—	19,322
Depreciation for the year	1,308	210	4	—	1,522
Depreciation on transfer	(8,079)	(2)	(227)	—	(8,308)
Revaluation adjustment	(12,241)	—	—	—	(12,241)
Depreciation adjustment	—	235	—	—	235
Depreciation on disposal	—	—	(23)	—	(23)
At 31 December 2025	—	477	30	—	507
Net assets					
At 31 December 2025	60,075	601	7	—	60,683
At 31 December 2024	300,029	39	1,693	26,853	328,614

Note ^a Assets with a cost of €283.5 million transferred to the Department of Justice, Home Affairs and Migration.

^b A review of Early Years IT costs resulted in a reclassification of €949,000 of infrastructure costs, related to the Early Years Platform Customer Relationship Management system (Pobal), from intangible assets.

2.2 Intangible assets

	Acquired and developed software €000	Assets under development ^a €000	Total €000
Cost or valuation			
At 1 January 2025	24,416	895	25,311
Additions	1,586	169	1,755
Transfer to use	566	(566)	—
Transfer out ^b	(2,454)	(274)	(2,728)
Adjustment ^c	(1,036)	—	(1,036)
At 31 December 2025	23,078	224	23,302
Accumulated amortisation			
At 1 January 2025	18,735	—	18,735
Amortisation for the year	1,774	—	1,774
Amortisation on transfers out	(862)	—	(862)
Amortisation adjustment	(252)	—	(252)
At 31 December 2025	19,395	—	19,395
Net assets			
At 31 December 2025	3,683	224	3,907
At 31 December 2024	5,681	895	6,576

Note ^a The balance in intangible assets under development primarily relates to a contracts management system.

^b Intangible assets with a cost of €2.73 million transferred to the Department of Justice, Home Affairs and Migration.

^c A review of Early Years IT costs resulted in a reclass of €949,000 of infrastructure costs, related to the Early Years Platform Customer Relationship Management system (Pobal), to property, plant and equipment, and a correction of €87,000, previously capitalised in 2024, related to Early Years IT software.

2.3 Bank and cash

at 31 December	2025 €000	2024 €000
PMG balances ^a	(76,480)	36,134
Commercial bank balances ^b	—	—
	(76,480)	36,134

Note ^a €87 million funding was advanced before year-end to meet critical expenditure obligations falling due on 2 January 2026. This is reflected in other debit balances (note 2.5).

^b The prior year figures have been restated as PMG (Danske) accounts and commercial bank accounts.

2.4 Prepayments

at 31 December	2025	2024
	€000	€000
Pobal	15,822	21,904
Administration/operational	1,335	1,692
Childcare programmes	126	46
Research	37	120
Disability related expenditure	—	18
<i>International protection seekers costs</i>	—	26,532
<i>Ukrainian accommodation and certain related expenditure</i>	—	80
	17,320	50,392

2.5 Other debit balances

at 31 December	2025	2024
	€000	€000
Other debit suspense items ^a	87,739	2,440
Advances to OPW	2,325	79
Recoupable salaries	65	122
<i>Ukrainian recognition scheme</i>	—	15,736
	90,129	18,377

Note ^a Other debit suspense items include €87 million advanced before year-end to meet critical expenditure obligations falling due on 2 January 2026.

2.6 Provisions

at 31 December	2025 €000	2024 €000
Legal proceedings	2,127	2,405
Represented by		
Current liabilities	2,127	2,405
Non-current liabilities	—	—
Total	2,127	2,405
Movement for each class of provision	Legal proceedings €000	Total €000
Opening balance	2,405	2,405
Additional provision made	1,857	1,857
Amounts used	(1,068)	(1,068)
Reversed	(1,067)	(1,067)
Balance as at 31 December	2,127	2,127

2.7 Accrued expenses

at 31 December	2025 €000	2024 €000
Payroll related accruals	2,576	3,137
Other programme accruals	931	1,011
Administration/operational	406	518
Disability related expenditure	9	16
<i>International protection seekers costs</i>	—	27,125
<i>Ukrainian accommodation and certain related expenditure</i>	—	14,181
<i>Refugee and migrant integration</i>	—	316
	3,922	46,304

2.8 Other credit balances

at 31 December	2025	2024
	€000	€000
Amounts due to the State		
Income tax	859	1,046
Pay related social insurance	713	865
Professional services withholding tax	292	539
Value added tax	174	597
Universal social charge	151	204
Local property tax	4	7
Tax on refund of superannuation	—	16
Other	—	2
	<u>2,193</u>	<u>3,276</u>
Other credit suspense items	1,083	1,349
Extra exchequer receipts	178	1,446
	<u>3,454</u>	<u>6,071</u>

2.9 Net Exchequer funding

at 31 December	2025	2024
	€000	€000
Surplus to be surrendered	38,294	122,972
Deferred surrender	7,690	—
Exchequer grant undrawn	(35,789)	(109,009)
Net Exchequer funding	<u>10,195</u>	<u>13,963</u>
Represented by		
Debtors		
Bank and cash	—	36,134
Debit balances: suspense	90,129	18,377
	<u>90,129</u>	<u>54,511</u>
Creditors		
Bank and cash	(76,480)	—
Due to the State	(2,193)	(3,276)
Credit balances: suspense	(1,261)	(2,795)
<i>Asylum, Migration and Integration Fund</i>	—	(34,477)
	<u>(79,934)</u>	<u>(40,548)</u>
	<u>10,195</u>	<u>13,963</u>

2.10 State funding account

	Note	2025	2024
		€000	€000
Balance at 1 January		340,852	283,880
Disbursements from the Vote			
Estimate provision	Account	6,315,578	
Deferred surrender	Account	(7,690)	
Surplus to be surrendered	Account	(38,294)	
Net vote		6,269,594	7,835,318
Expenditure borne elsewhere	1.1	8,752	8,857
Non-cash items:			
Property, plant and equipment			
Transfer out	2.1	(275,196)	
Revaluation	2.1	6,897	
Adjustment	2.1	714	
Intangible assets			
Transfer out	2.2	(1,866)	
Adjustment	2.2	(784)	
Payments recoverable			
Transfer out		(3,979)	
Net programme cost	1	(6,269,123)	(7,787,203)
Balance at 31 December		75,861	340,852
General reserve		68,964	340,852
Revaluation reserve		6,897	—
State funding account		75,861	340,852

2.11 Commitments

	2025	2024
	€000	€000
a) Global commitments		
at 31 December		
Procurement of goods and services	82	110
Capital ^a	4,491	31,440
Non-capital grant programmes ^a	1,280	50,478
Total of legally enforceable commitments	5,853	82,028

Note ^a The decrease in capital projects and non-capital grant programme commitments is a result of the transfer of functions to the Department of Justice, Home Affairs and Migration.

2.12 Matured liabilities

at 31 December	2025	2024
	€000	€000
Estimates of matured liabilities not discharged at year end	120	13,516

2.13 Contingent liabilities

The Department is involved in a number of legal cases that could generate liabilities, depending on the outcome of the litigation. The amounts and timing of any liabilities is uncertain. In legal cases where decisions have been made resulting in a quantifiable liability, the amount of the liabilities is disclosed in note 2.6 Provisions.

2.14 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
Revaluation of land and buildings ^a	6,897	—
Provisions ^b	—	(2,405)
Holiday accrual ^c	—	(1,193)
Payroll accrual ^c	—	(1,944)
	6,897	(5,542)

Note ^a CGAS 17 Property, Plant and Equipment

^b CGAS 19 Provisions, Contingent Liabilities and Contingent Assets

^c CGAS 39A Employee Benefits Part A

Note 3 Vote Expenditure

Analysis of administration expenditure

Administration expenditure set out below has been apportioned across the programmes, to present complete programme costings.

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances			
	<i>Original</i>	49,196		
	<i>Supplementary</i>	(4,750)		
			44,446	57,407
ii	Travel and subsistence			
	<i>Original</i>	1,020		
	<i>Supplementary</i>	(373)		
			647	699
iii	Training and development			
	<i>Original</i>	939		
	<i>Supplementary</i>	(36)		
			903	859
iv	Operational services, supplies and sundry equipment			
	<i>Original</i>	2,844		
	<i>Supplementary</i>	(615)		
			2,229	2,603
v	Digital capital investment and IT expenses			
	<i>Original</i>	4,276		
	<i>Supplementary</i>	(181)		
			4,095	2,542
vi	Premises expenses			
	<i>Original</i>	1,109		
	<i>Supplementary</i>	(268)		
			841	1,821
vii	Policy reviews, consultancy services and research			
	<i>Original</i>	930		
	<i>Supplementary</i>	(527)		
			403	184
		53,564	50,884	66,115

Significant variations

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

ii Travel and subsistence

Estimate provision €1.02 million; outturn €379,000

The underspend of €641,000 resulted from lower travel requirements across the Department, notwithstanding Ireland's upcoming Presidency of the EU. More generally, the subclassification of non-pay administrative expenditure across different categories can be challenging due to the timing of the REV profiling process. This may limit the full interpretation of variances between original provision and outturn.

iii Training and development

Estimate provision €939,000; outturn €673,000

The underspend of €266,000 was primarily driven by lower than anticipated expenditure on specialist training and learning and development related consultancy services.

iv Operational services, supplies and sundry equipment

Estimate provision €2.844 million; outturn €1.36 million

The underspend of €1.484 million arose from several factors, as this category covers multiple operational services. Recruitment related costs were lower than expected due to hiring constraints and no direct recruitment taking place during the year. Other operational costs, such as room hire, translation services, stationery and postage, also came in below expectations following the transfer of functions. In addition, some costs anticipated for 2025 were delayed to 2026 due to activities not being completed as planned or delays in receiving invoices.

vi Premises expenses

Estimate provision €1.109 million; outturn €624,000

The underspend of €485,000 resulted from lower building maintenance and rental costs, primarily related to the Guardian ad Litem (GAL) Executive Office relocation. The planned relocation of this Office has been delayed due to health and safety issues and outstanding remedial works at the new premises. The Department is working with the OPW to advance this relocation project.

vii Policy reviews, consultancy services and research

Estimate provision €930,000; outturn €175,000

The underspend of €755,000 largely resulted from lower consultancy costs in the disability area, due to delays in research projects related to policy development in specialist disability services. This work will progress in 2026. There were further savings in consultancy costs in areas such as data protection and communications. As noted in category ii, the timing of the REV profiling process and the demand-led nature of these expenditure categories limits the full interpretation of variances between estimate and outturn.

Programme A Children and family support

		2025		2024
		Estimate provision		Outturn
		€000	€000	€000
			Outturn	Outturn
			€000	€000
A.1	Administration – pay			
	<i>Original</i>	6,500		
	<i>Supplementary</i>	(722)		
			5,778	6,889
A.2	Administration – non pay			
	<i>Original</i>	1,446		
	<i>Supplementary</i>	(262)		
			1,184	1,045
A.3	Child and Family Agency			
	<i>Original</i>	1,097,551		
	<i>Supplementary</i>	38,172		
			1,135,723	1,063,148
A.4	Youth justice – including Oberstown Children Detention Campus		31,048	29,538
A.5	Guardian ad Litem Executive Office		400	64
A.6	Child and Family Agency contingency related supports			
	<i>Original</i>	102,032		
	<i>Supplementary</i>	21,815		
			123,847	—
			1,297,980	1,297,529
				1,100,684

Significant variations

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

A.6 Child and Family Agency contingency related supports

Estimate provision €102 million; outturn €123.8 million

The overspend of €21.8 million was driven by significant increases in demand-led private residential care for unaccompanied Ukrainian minors and separated children seeking international protection (SCSIP), throughout 2025.

Programme B Sectoral programmes for children and young people

		2025		2024
		Estimate provision		Outturn
		€000	€000	€000
				Outturn
				€000
B.1	Administration – pay			
	<i>Original</i>	10,561		
	<i>Supplementary</i>	(1,226)		
			9,335	9,125
				10,333
B.2	Administration – non pay			
	<i>Original</i>	2,334		
	<i>Supplementary</i>	(418)		
			1,916	1,560
				1,567
B.3	ECCE and AIM pre-school programmes			
	<i>Original</i>	350,113		
	<i>Supplementary</i>	(3,005)		
			347,108	342,466
				326,010
B.4	National Childcare Scheme and other childcare programmes			
	<i>Original</i>	533,985		
	<i>Supplementary</i>	(189)		
			533,796	524,739
				418,627
B.5	Childcare programmes: delivery supports and other initiatives			
	<i>Original</i>	490,349		
	<i>Supplementary</i>	(25,031)		
			465,318	450,187
				394,975
B.6	Play and recreation		500	500
				450
B.7	Creative Ireland		225	225
				177
B.8	Economic and social disadvantage measures (Dormant Accounts funded)		5,484	5,262
				6,976
—	<i>Programme for Peace and Reconciliation</i>		—	—
				1,126
B.10	Early Learning and Care/ School Age Childcare contingency supports			
	<i>Original</i>	10,628		
	<i>Supplementary</i>	1,764		
			12,392	11,530
				—
—	<i>Youth organisations and services</i>		—	—
				76,771
		1,376,074	1,345,594	1,237,012

Significant variations

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

B.5 Childcare programmes: delivery supports and other initiatives

Estimate provision €490 million; outturn €450 million

The underspend of €40 million largely results from underspend on the Building Blocks Capital Scheme, due to a longer than anticipated legal process involving the service providers approved for grant funding. Core funding underspends arose due to a lower early uptake rate, a change in the composition of service providers during the year, and a delay in the introduction of the Employment Regulation Orders until October 2025. An underspend in Equal Start resulted from the slower than anticipated development of the Community Partnership Co-Ordinator and the staggered rollout of Bia Blasta.

B.10 Early Learning and Care/School Age Childcare contingency supports

Estimate provision €10.628 million; outturn €11.53 million

The overspend of €902,000 was due to higher than projected uptake of early learning and childcare schemes by Ukrainian beneficiaries of temporary protection and international protection minors.

Programme C Policy and legislation

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
C.1	Administration – pay			
	<i>Original</i>	19,530		
	<i>Supplementary</i>	<u>(1,752)</u>		
			17,778	17,382
C.2	Administration – non pay			13,204
	<i>Original</i>	4,448		
	<i>Supplementary</i>	<u>(801)</u>		
			3,647	2,971
C.3	Miscellaneous legal fees and settlements			2,003
	<i>Original</i>	330		
	<i>Supplementary</i>	<u>813</u>		
			1,143	1,256
C.4	Research, data and analytics		2,150	2,058
C.5	Children and young people's policy framework and other programmes			1,893
	<i>Original</i>	14,339		
	<i>Supplementary</i>	<u>(1,981)</u>		
			12,358	11,978
C.6	Adoption Authority of Ireland			10,452
	<i>Original</i>	8,747		
	<i>Supplementary</i>	<u>(1,500)</u>		
			7,247	6,996
C.7	Office of the Ombudsman for Children		5,026	5,026
C.8	Response to legacy of mother and baby institutions			7,332
	<i>Original</i>	21,495		
	<i>Supplementary</i>	<u>(6,752)</u>		
			14,743	10,213
C.9	Mother and Baby Institutions Payment Scheme			4,415
	<i>Original</i>	103,419		
	<i>Supplementary</i>	<u>(68,529)</u>		
			34,890	32,373
C.10	Magdalen Fund			63,119
	<i>Original</i>	300		
	<i>Supplementary</i>	<u>(250)</u>		
			50	36
			99,032	90,289
				183
				106,685

Significant variations

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

C.3 Miscellaneous legal fees and settlements

Estimate provision €330,000; outturn €1.256 million

The overspend of €926,000 was due to legal discovery costs incurred in the area of special care. The Department contracted an eDiscovery service to assist with an extensive and wide-ranging discovery related to this litigation.

C.5 Children and young people's policy framework and other programmes

Estimate provision €14.339 million; outturn €11.978 million

The €2.361 million underspend was mainly due to recruitment delays for 30 Parenting Support Advisor posts, funded through Tusla. Savings were made in delivering two research projects under an established workplan and through the Department's Knowledge Synthesis programme, and due to reduced costs for hosting Seanad na nÓg.

C.6 Adoption Authority of Ireland

Estimate provision €8.747 million; outturn €6.996 million

The underspend of €1.751 million was largely due to lower staffing costs in the AAI. This resulted from vacancies in senior positions for a portion of the year, together with some staff leave on an unpaid basis. There were also lower than anticipated legal costs in the year.

C.8 Response to legacy of mother and baby institutions

Estimate provision €21.495 million; outturn €10.213 million

The underspend of €11.282 million was largely related to the National Centre for Research and Remembrance (NCRR) development project and Office of the Director of Authorised Intervention, Tuam (ODAIT). In the case of the NCRR, an archaeological planning condition increased the timeframe required for site preparatory and enabling works, to be completed prior to progressing to tender for the main project contractor. ODAIT underspends resulted from the excavation and construction works at the site starting later in 2025 than originally planned, as well as delays in the development of the laboratory and mortuary.

C.9 Mother and Baby Institutions Payment Scheme

Estimate provision €103.419 million; outturn €32.373 million

The underspend of €71.046 million was mainly due to the lower than anticipated level of applications. The scheme is demand-led in nature and therefore difficult to predict expenditure in any given year. There was also an underspend due to the revised timing of the longitudinal study of care leavers under the Care Experiences Programme, as detailed preparatory work was undertaken in the year.

C.10 Magdalen Fund

Estimate provision €300,000; outturn €36,000

The underspend of €264,000 was due to the payment scheme being demand-led in nature and therefore difficult to predict in any given year.

Programme D An equal and inclusive society

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
D.1	Administration – pay			
	<i>Original</i>	12,605		
	<i>Supplementary</i>	(1,050)		
			11,555	11,299
D.2	Administration – non pay			8,611
	<i>Original</i>	2,890		
	<i>Supplementary</i>	(519)		
			2,371	1,931
D.3	National Disability Authority		7,501	7,333
—	<i>Refugee and migrant integration</i>		—	—
				7,807
D.5	Grants to national women's organisations		720	720
D.6	Traveller and Roma initiatives		6,500	6,025
D.7	Positive action for gender equality			5,866
	<i>Original</i>	6,000		
	<i>Supplementary</i>	(500)		
			5,500	4,723
D.8	Equality and LGBTI initiatives		1,850	1,813
D.9	Decision Support Service		10,438	10,438
D.10	Disability equality			9,075
	<i>Original</i>	7,100		
	<i>Supplementary</i>	(682)		
			6,418	4,437
D.11	Specialist disability services			4,080
	<i>Original</i>	3,221,369		
	<i>Supplementary</i>	267,000		
			3,488,369	3,488,209
D.12	Specialist disability services Covid-19		18,028	18,028
D.13	Farrelly Commission of Investigation		2,000	2,555
D.14	Disability programmes and regulatory bodies			589
	<i>Original</i>	7,555		
	<i>Supplementary</i>	(689)		
			6,866	6,096
D.15	Payments in respect of Thalidomide		370	341
				3,260
			3,568,486	3,563,948
				3,120,434

Significant variations

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

D.6 Traveller and Roma initiatives

Estimate provision €6.5 million; outturn €6.025 million

The underspend of €475,000 was largely due to delays in delivering new projects under the National Traveller and Roma Inclusion Strategy II 2024-2028 (NTRIS II), which are expected to progress in 2026. Further underspends related to recruitment difficulties in a number of projects, with positions expected to be filled in 2026.

D.7 Positive action for gender equality

Estimate provision €6 million; outturn €4.723 million

The underspend of €1.277 million was due to underspends in the Gender Pay Gap Portal project resulting from cost savings and timing.

D.10 Disability equality

Estimate provision €7.1 million; outturn €4.437 million

The underspend of €2.663 million was largely related to the underspend of the Autism Innovation Fund due to capacity constraints within the Department. The Department is making the necessary preparations for the management of this Fund in-house in 2026. The later than anticipated publication of the National Human Rights Strategy for Disabled People 2025-2030 also contributed to the underspend.

D.11 Specialist disability services

Estimate provision €3.22 billion; outturn €3.49 billion

The overspend of €267 million was due to increased HSE funding requirements, resulting from service demands and increased costs. Primary drivers of the overspend were residential placements, agency costs and sustainability of Section 38 and Section 39 voluntary service providers.

D.13 Farrelly Commission of Investigation

Estimate provision €2 million; outturn €2.555 million

The overspend of €555,000 resulted from the timing of expenditure. Reimbursements of third-party liabilities were paid to the State Claims Agency at the end of 2025, rather than early 2026 as originally expected. No further expenditure related to this is due in 2026.

D.14 Disability programmes and regulatory bodies

Estimate provision €7.555 million; outturn €6.096 million

The underspend of €1.459 million was primarily related to the demand led nature of Thalidomide supports, one of the main projects in this regard being housing adaptations for 16 individuals. This work began in 2025 but uptake of this programme was slow and further expenditure is expected in 2026. There was an offsetting overspend within this subhead related to the reimbursement of court ordered costs, negotiated by the State Claims Agency on behalf of the Office of the Disability Appeals Officer.

Note 4 Receipts and Revenue

4.1 Appropriations-in-aid

		2025		2024
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Superannuation scheme – Child and Family Agency	9,000	8,887	10,600
2	Superannuation scheme – non-teaching staff of children detention schools	650	748	689
3	Dormant Accounts receipts	5,485	5,275	7,013
—	<i>Programme for Peace and Reconciliation</i>	—	—	196
—	<i>EU receipts</i>	—	—	1,530
6	Additional superannuation contributions	10,513	12,727	10,236
7	Miscellaneous	346	129	599
		25,994	27,766	30,863

Significant variations

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

6 Additional superannuation contributions

Estimate provision €10.513 million; realised €12.727 million

The increase of €2.214 million was driven by increased contributions from Child and Family agency staff and related agencies.

7 Miscellaneous

Estimate provision €346,000; realised €129,000

The shortfall of €217,000 relates to the nature of miscellaneous receipts, which by their nature are difficult to estimate.

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 transactions revenue	
Central Fund grant	6,269,594
Additional superannuation contributions	12,727
Superannuation schemes aegis bodies	9,635
Dormant account receipts	5,275
Other revenue	
Miscellaneous income	129
Total revenue	6,297,360
Represented by	
Central Fund grant	6,269,594
Total appropriations-in-aid	27,766
	6,297,360

4.3 Extra receipts payable to the Exchequer

	2025	2024
	€000	€000
Balance at 1 January	1,446	352
Adjustment to opening balance	12	(1)
Refunds of grant funding: Pobal	2,616	5,990
Refunds of grant funding: Child and Family Agency	1,075	—
Other	517	1,019
Refunds of grant funding: ETBs	—	1,258
Oberstown Children Detention Campus	—	4
Transferred to the Exchequer	(5,488)	(7,176)
Balance at 31 December	178	1,446

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

At 31 December	2025	2024
Department	619	982
Agencies of the Department	5,817	5,515
	6,436	6,497

5.2 Pay

Remuneration of Department staff

	2025	2024
	€000	€000
Pay ^a	38,463	50,582
Higher, special or additional duties allowances	126	161
Other allowances	97	139
Overtime	79	414
Employer's PRSI	3,892	5,043
	42,657	56,339

Note ^a The total pay figure is distributed across subheads A.1, B.1, C.1 and D.1

Remuneration of agency staff

	2025	2024
	€000	€000
Pay ^a	369,885	339,065
Higher, special or additional duties allowances	2,990	2,950
Other allowances	1,155	1,091
Overtime	4,142	3,991
Employer's PRSI	39,433	35,820
	417,605	382,917

Note ^a The pay expenditure of agencies is not a direct financial transaction of the Department. Further information in relation to employee numbers and pay in respect of the Department's agencies is available from the relevant annual financial statements or directly from the agencies concerned.

The agencies are National Disability Authority (NDA), Adoption Authority of Ireland (AAI), Child and Family Agency (Tusla), Office of the Ombudsman for Children (OCO) and Oberstown Children Detention Campus.

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2025 €	2024 €
Department staff				
Higher, special or additional duties allowances	18	7	20,582	32,176
Other allowances	4	2	60,224	49,473
Overtime	53	—	9,584	26,572
Extra remuneration in more than one category	1	—	4,626	19,176
Agency staff				
Higher, special or additional duties allowances	592	71	30,561	28,854
Other allowances	393	4	11,276	9,492
Overtime	993	117	73,686	67,906
Extra remuneration in more than one category	606	91	89,640	34,448

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	2025	2024
20,000	59,999	367	617
60,000	69,999	62	64
70,000	79,999	43	64
80,000	89,999	59	58
90,000	99,999	29	25
100,000	109,999	26	39
110,000	119,999	18	21
120,000	129,999	7	11
130,000	139,999	7	5
140,000	149,999	2	—
150,000	159,999	—	1
160,000	169,999	1	2
170,000	179,999	—	4
180,000	189,999	6	1
190,000	199,999	—	—
200,000	209,999	—	—
210,000	219,999	—	—
220,000	229,999	—	—
230,000	239,999	—	1
240,000	249,999	1	—

5.5 Other remuneration arrangements

Twelve retired civil/public servants in receipt of a civil/public service pension were re-engaged at a total cost of €43,831. The payments made were consistent with the principles of the Public Service (Single Scheme and other Provisions) Act 2012.

This account includes expenditure of €106,027 (inclusive of salary, employee's superannuation and employer's PRSI) in respect of one officer who was serving outside the Department for all or part of 2025 and whose salary was paid by the Department. The recoupable amount is included in the figure for recoupable salaries within note 2.5 other debit balances.

5.6 Payroll overpayments

at 31 December	Number of recipients	2025 €	2024 €
Overpayments	120	184,302	95,506
Recovery plans in place	11	12,096	13,906

Twenty overpayment recovery plans in respect of twenty individuals to the value of €26,004 were transferred to six government departments in 2025.

Note ^a In 2025, 63 overpayments were recouped in full. The National Shared Services Office (NSSO) implements and manages the recovery plans for overpayments.

5.7 Severance/redundancy

During 2025, five staff members whose employment was terminated, were paid redundancy payments totalling €29,200 and severance payments totalling €78,175.

Grade	Number of recipients	Payment €	Added years of notional service	Early payment of pension with no actuarial reduction (years)
Special Adviser (Principal Officer)	2	76,004	—	—
Civilian Driver	3	31,371	—	—
Total		107,375	—	—

5.8 Remuneration and benefits of Accounting Officer

	2025	2024
	€000	€000
Basic pay	<u>245</u>	<u>238</u>

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the pre-1995 superannuation scheme for established civil servants, and his entitlements to retirement benefits do not extend beyond the standard terms of that pension scheme.

Note 6 Miscellaneous

6.1 Payments to Pobal

In accordance with the Department's accounting policy, the net funds provided to Pobal for the year of €1.312 billion were charged to the relevant subheads as set out below.

During 2025, Pobal returned funds totalling €3.885 million to the Department, of which €2.616 million related to prior years and forms part of Exchequer receipts (note 4.3). As at 31 December 2025, €172,000 of this was held by the Department, to be returned to the Exchequer in 2026.

		2025	2024
		€000	€000
Subhead			
B.3	ECCE and AIM pre-school programmes	340,146	323,542
B.4	National childcare scheme and other childcare programmes	524,739	418,627
B.5	Childcare programmes: delivery supports and other initiatives	434,130	381,779
B.7	Creative Ireland	15	—
B.8	Economic and social disadvantage measures (Dormant Accounts funded)	332	308
B.10	Early Learning and Care/School Age Childcare contingency supports	11,390	—
C.5	Children and young people's policy framework and other programmes	990	2,581
C.8	Response to legacy of mother and baby institutions	439	376
—	<i>Youth organisations and services (part funded by the National Lottery)</i>	—	15,726
—	<i>Ukraine accommodation and related costs</i>	—	14,092
	Total paid to Pobal	1,312,181	1,157,031

Note ^a Pobal administers a large number of grant programmes on behalf of the Department. At 31 December 2025, Pobal had grant commitments totalling €15.82 million relating to programmes administered on behalf of the Department.

6.2 Compensation and legal costs

Payments/costs paid by the Department in the year

	Claims by		Total	Total
	Employees	Members of the public	2025	2024
Number of cases	20	134	154	108
	€000	€000	€000	€000
Department's own legal costs	—	51	51	135
Payments by/on behalf of Department				
Compensation	564	728	1,292	1,428
Legal costs	77	2,134	2,211	528
Other costs	24	2,198	2,222	174
2025 Total	665	5,111	5,776	2,265
2024 Total	359	1,906	2,265	

Note ^a At 31 December 2025, the Department has included in accrued expenses €718,030 (2024: €265,653) being the total outstanding legal costs due to the State Claims Agency.

Cumulative costs of cases completed in 2025

	Claims by		Total
	Employees	Members of the public	
Number of cases	1	27	28
	€000	€000	€000
Department's own legal costs	—	—	—
Payments by/on behalf of Department			
Compensation	55	22	77
Legal costs	—	1,076	1,076
Other costs	—	5	5
Total	55	1,103	1,158

6.3 Suspected fraud

The Department received a report of an alleged fraud which may have occurred in a service provider in receipt of grant funding during 2025. This case is under investigation by the appropriate authorities, and the Department awaits the outcome.

6.4 Committees, commissions and special inquiries

In March 2017, a commission of investigation was established into certain matters relative to a disability service in the South East and related matters. Commission expenditure is accounted for in subhead D.13 Farrelly Commission of Investigation.

	Year of appointment	Cumulative expenditure to the end of 2025	2025 €000	2024 €000
Farrelly Commission of Investigation	2017	10,708 ^a	2,555	589

Note ^a The cumulative expenditure to the end of 2025 includes €6.789 million of expenditure incurred in the Department of Health, prior to the transfer of function of the Specialist Community Based Disability Services (SCBDS) to the Department in 2023.
Certain support costs related to the Commission's operations were recorded in the Department's administration costs.

6.5 EU funding

The outturn shown in subheads B.5 Childcare programmes: delivery supports and other initiatives and C.5 Children and young people's policy framework and other programmes, include payments in respect of activities which are eligible for co-financing under the European Social Fund Plus (ESF+) Employment, Inclusion, Skills and Training (EIST) programme 2021-2027.

The Department of Further and Higher Education, Research, Innovation and Science, as the Managing Authority for the ESF+, will be responsible for managing any claims. Under the ESF+ programme, any disbursement of funds will be sent to the original Department as appropriations-in-aid.

6.6 EU Court of Justice penalty

Directive (EU) 2019/1158, on work-life balance for parents and carers, required Member States to give full legal effect to its provisions by August 2022. The Directive was transposed primarily through the Work Life Balance and Miscellaneous Provisions Act 2023, which was enacted on 4 April 2023. The Act introduced a range of employment rights, including the right for parents and carers to request flexible working and a separate right for all employees to request remote working. However, before these provisions could commence, a statutory Code of Practice was required to be prepared by the Workplace Relations Commission to provide guidance to employers and employees on the operation of these rights. The Code of Practice was finalised and provided to the relevant Departments in January 2024. Following its completion, the outstanding provisions of the Act commenced on 6 March 2024. As a result, full transposition of the Directive was completed on that date.

As Ireland had not fully transposed all elements of the Directive by August 2022, the European Commission initiated infringement proceedings in September 2022. Proceedings before the Court of Justice of the European Union commenced on 31 January 2024 with the Court delivering its judgment on 1 August 2025.

The Court found against Ireland, imposing a lump-sum financial penalty of €1.54 million, which represented the minimum penalty available to the Court in the circumstances of the case. This was paid in the year and charged to subhead D.7 of Vote 40.

The infringement proceedings are now concluded and there is no further exposure to penalties arising from this matter.

6.7 Late payment interest

	2025	2024
	€000	€000
Total of interest and compensation payments	15	309

6.8 Deferred surrender

	Unspent	Deferred
Subhead	€000	€000
B.5 Childcare programmes: delivery supports and other initiatives	8,999	7,690

The Finance Act 2004 provides for capital funding unspent at the year-end to be carried into the following year, subject to a ceiling of 10% of the voted capital allocation in the year of account.

While the original 2025 further revised estimate capital allocation for the Department was €99.5 million, the Department reallocated almost €22.6 million to current expenditure when agreeing the supplementary estimate of €213.7 million. The revised voted capital allocation for 2025 was therefore €76.9 million, allowing for the carryover of €7.69 million of capital underspend to 2026.