

3 Vote Accounting and Budget Management

- 3.1** Dáil Éireann provides money for the services of government departments and offices by
- approving estimates of receipts and expenditure for those services in the course of each year
 - giving statutory effect to the estimates in an annual Appropriation Act.
- 3.2** Expenditure is provided for under 'votes', with one or more votes covering the functions of each department or office. The first part of the estimate for each vote (referred to as the ambit) provides an outline of the services to be financed. The ambit is incorporated in the annual Appropriation Act and so represents the purposes for which funds have been authorised by Dáil Éireann.
- 3.3** At the end of each financial year, each department and office is required to prepare an account, known as the appropriation account, for each voted service administered by it. The statutory requirement is for the appropriation account to report the outturn for the year compared with the amount provided by Dáil Éireann.
- 3.4** In addition to voted services, some government departments administer statutory funds. Generally, these are funded from sources other than the Central Fund and therefore, that funding is not 'voted' by Dáil Éireann. Examples of such funds and their main income sources are
- Social Insurance Fund (PRSI)
 - Local Government Fund (motor tax and local property tax)
 - National Training Fund (Training Fund Levy and EU)
 - Environment Fund (plastic bag and landfill levies)
- 3.5** In presenting estimates and expenditure reports, the Department of Public Expenditure and Reform include the Social Insurance Fund (€8.5 billion) and the National Training Fund (€362 million) in total gross expenditure. The Department advises that this is in recognition of the significant expenditure funded by PRSI contributions, the role of the relevant departments in relation to the expenditure incurred by those funds and that, where there is a shortfall in these funds in any financial year, the amount involved may be paid into the funds from moneys provided by Dáil Éireann.

Results of 2015 audits of appropriation accounts

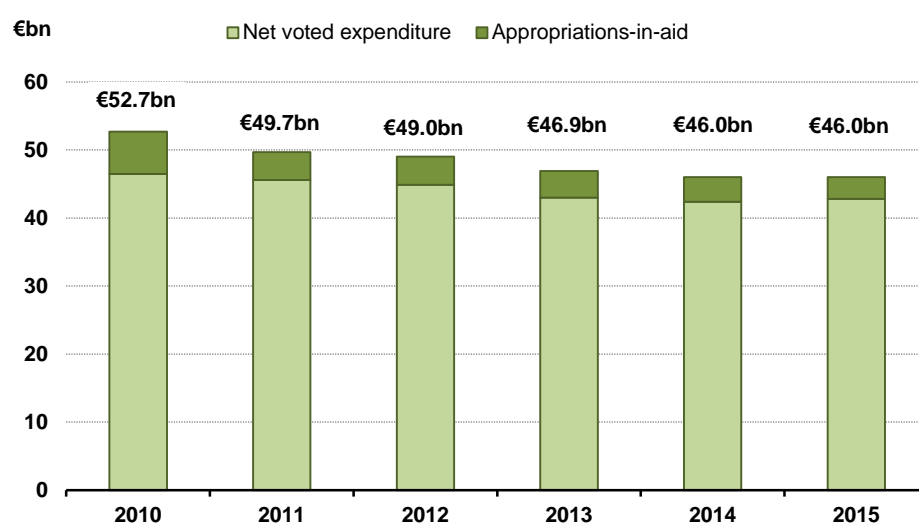
- 3.6** Audits of the 2015 appropriation accounts for all votes have been completed. Each account, together with the related audit report, is being presented to Dáil Éireann with this report.
- 3.7** A summary of the amounts appropriated in 2015 for voted public services is included in Annex A (Figure A1). The outturn for the year is also shown, together with the surplus of appropriations over expenditure.

- 3.8** The final amount appropriated for public services in 2015 was €46.4 billion. This comprised supply grants of €43.1 billion, capital funding carried over from 2014 totalling €79 million and appropriations-in-aid of €3.2 billion.

Vote outturn

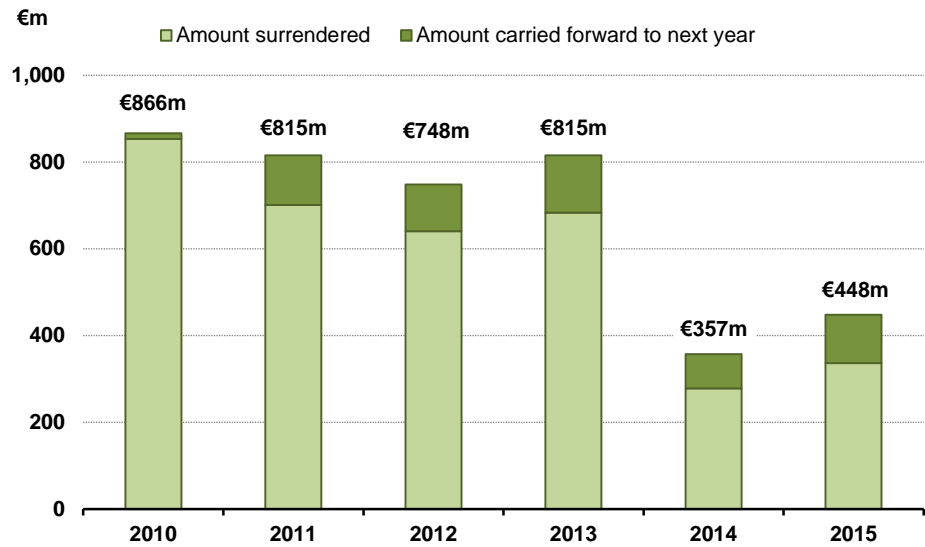
- 3.9** Aggregate expenditure and appropriations-in-aid of all votes for the years 2010 to 2015 are summarised in Figure 3.1. The total amount spent by departments and offices in 2015 was €46 billion. After deduction of realised appropriations-in-aid totalling €3.2 billion, the net expenditure in the year was €42.8 billion.

Figure 3.1 Vote outturn, 2010 to 2015



Source: Reports on the Accounts of the Public Services, 2010 to 2015, Annex A

- 3.10** Departments and offices are not permitted to spend more than the amount appropriated for each vote. When the expenditure in the year is less than the amount provided, the surplus is liable to be surrendered to the Exchequer.
- 3.11** All departments and offices managed within their overall voted allocations in 2015 and surpluses were recorded by all votes. Consequently, no excess vote occurred in 2015.
- 3.12** The 2015 surpluses amounted to €448 million (see Figure 3.2). Of that amount, a total of €112 million was approved for carry over to 2016. The balance of €336 million was due for surrender. The sums liable for surrender or carried over to 2016 for each vote are shown in Annex A (Figure A2).

Figure 3.2 Surplus appropriations, 2010 to 2015

Source: Reports on the Accounts of the Public Services, 2010 to 2015, Annex A

Exchequer extra receipts

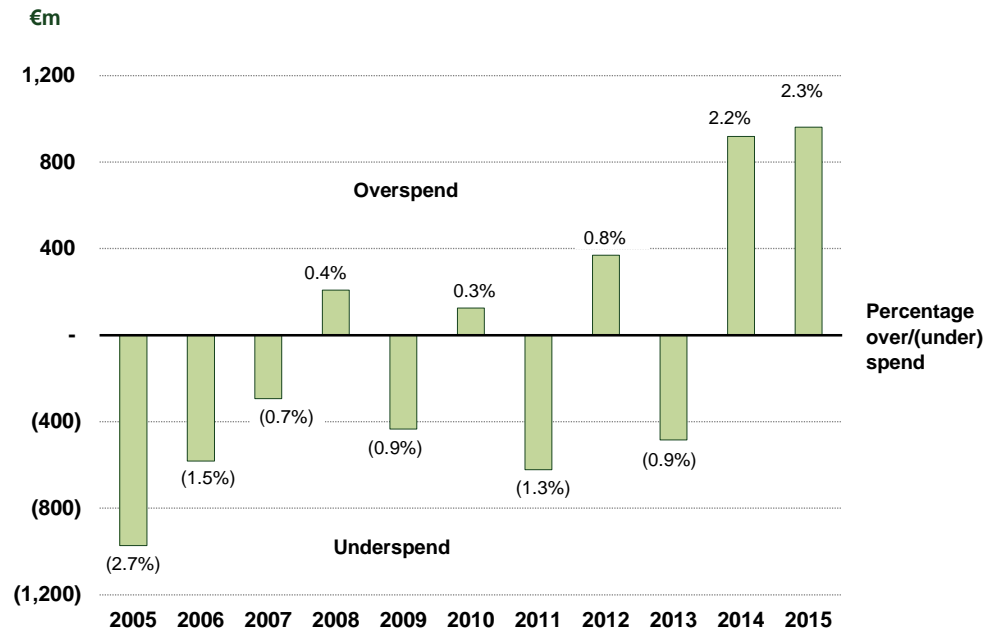
- 3.13** Certain sums collected by departments and offices are directed by the Department of Public Expenditure and Reform to be credited to the Exchequer, and not treated as appropriations-in-aid. This includes court fine receipts, and Property Registration Authority fee receipts. Windfall receipts are also usually brought to account in this way, including proceeds of significant sales of property, receipts on foot of surplus income or profits of State companies, interest, dividends or capital repayments, compensation payments and voluntary surrender of salary. Where Exchequer extra receipts arose in 2015, the amounts are shown in notes to the relevant appropriation accounts. The total Exchequer extra receipts recorded by departments and offices in 2015 was €157 million (2014: €125m). The aggregate amount of those receipts reported in each account is set out in Annex A (Figure A3).

¹ There is a statutory provision for unspent capital allocations to be carried over to the following year for use for the same purpose, with the agreement of the Department of Public Expenditure and Reform. In this report, such carryover amounts are treated as part of the annual departmental appropriations.

Budget variance

- 3.14** The original estimate amount approved represents the forecast of the amount required to meet the cost of the services to be provided from each vote. The budget variance is therefore the difference between the original estimate of net expenditure and the actual outturn in a year.¹ Figure 3.3 sets out the budget variance for all votes combined, for the years 2005 to 2015.

Figure 3.3 Net expenditure variance from original budget, all votes, 2005 to 2015



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

3.15 Between 2005 and 2007, net voted expenditure was less than originally estimated each year. Since 2008, there has not been a consistent pattern of variances. In 2015, net expenditure was €1 billion greater than the original forecast.

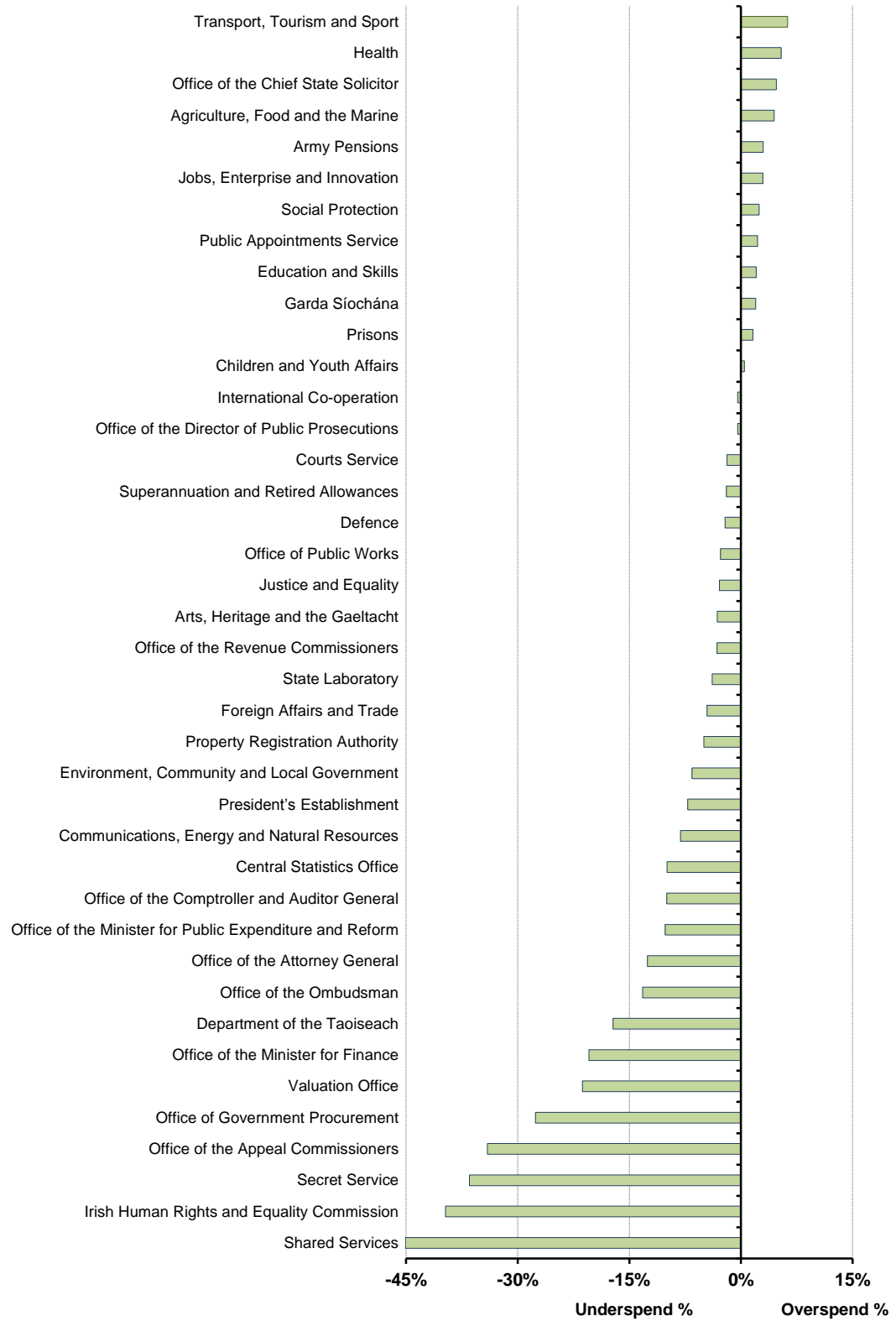
Budget variance by vote

3.16 The three votes with the largest monetary net variance in 2015 were Health (€592 million), Social Protection (€247 million) and Education and Skills (€166 million).

3.17 Figure 3.4 sets out, for each vote, the proportionate variance between actual expenditure and the original estimate in 2015.

- There were 12 votes where the net expenditure outturn was greater than the original estimate. Transport, Tourism and Sport, at 6%, had the largest percentage overspend compared with its original estimate.
- The remaining 28 votes incurred net expenditure less than originally anticipated in the revised estimates.

Figure 3.4 Net expenditure variance by vote, as a proportion of the original budget, 2015



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

Supplementary estimates

3.18 When the Dáil approves a vote estimate, it does so at the aggregate level. Departments are allowed some scope to manage budgets by moving allocations between programmes and subheads, but only if the Department of Public Expenditure and Reform agrees. This reallocation process is referred to as virement.

1. The HSE Vote was disestablished in line with the provisions of the Health Service Executive (Financial Matters) Act 2014 and its expenditure met through a grant from the Health Vote. Between 2010 and 2014 the HSE Vote required substantive supplementary estimates and, in 2015, the Health Vote required a substantive supplementary estimate.

3.19 If large adjustments to the budgets for programmes or subheads are required as the year progresses, formal approval must be sought from the Dáil. This is done through the 'supplementary estimate' process. This process may also be used, if required, to increase the cash limit for a vote for the year. Details of supplementary estimates requested are discussed at the relevant Dáil committees before approval is sought from the Dáil itself.

3.20 In 2015, 13 votes required substantive supplementary estimates to increase the overall amount available (see Figure 3.5). These included three votes which have required substantive supplementary estimates each year since 2010.¹

Figure 3.5 Votes with supplementary estimates, 2010 to 2015^a

	2010	2011	2012	2013	2014	2015
Health ^b	●	●	●	●	●	●
Garda Síochána	●	●	●	●	●	●
Army Pensions	●	●	●	●	●	●
Transport, Tourism and Sport	○		●	●	●	●
Social Protection	●		●			●
Jobs, Enterprise and Innovation	○	○	○		○	●
Superannuation and Retired Allowances			●		●	●
Education and Skills	○				●	●
Agriculture, Food and the Marine					●	●
Public Appointments Service					●	●
Prisons					●	●
Children and Youth Affairs					○	●
Office of the Chief State Solicitor						●
Environment, Community and Local Government	○	○	○		●	
Courts Service	○	●	●		○	
Arts, Heritage and the Gaeltacht	●				○	
Department of the Taoiseach					●	
Foreign Affairs and Trade	●					
Justice and Equality	○	○		○		
Communications, Energy and Natural Resources						○
Office of the Minister for Finance						○
Defence					○	
Shared Services				○		
Public Expenditure and Reform		○				

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

Notes: ● Indicates an increase in the net expenditure estimate i.e. a substantive supplementary estimate.
○ Indicates that the increase in net expenditure was a token €1,000 i.e. a technical supplementary estimate.

a Vote titles are as per the 2015 Revised Estimates for Public Services. For some votes, different titles may have applied in earlier years in which a supplementary estimate was approved.

b Between 2010 and 2014 the HSE Vote required substantive supplementary estimates, and in 2015 the Health Vote required a substantive supplementary estimate.

Annex A Vote financial outturn

Dáil Éireann provides money for the ordinary services of government departments and offices by approving estimates of the amounts required for those services in the course of each year, and giving statutory effect to those estimates in the annual Appropriation Act. The expenditure is provided for under a series of 'votes'. By law, an appropriation account must be produced for each vote. The account must provide details of the outturn for the year against the amount provided by Dáil Éireann.

Figure A1 provides a summary of the outturn on expenditure and receipts relative to the amounts appropriated for public services in 2015.

Figure A2 shows how surplus appropriations in 2015 were applied – either through deferral of expenditure to 2016, or by surrender to the Exchequer.

Figure A3 shows estimated and realised Exchequer extra receipts.

Explanations of some of the terms used in the tables are given below.

Supply grant	The money granted (or voted) by Dáil Éireann for each of the public services.
Deferred from 2014	Amount of capital funding not spent in 2014 and carried over for expenditure on capital services in 2015. The carry over of these sums was approved by Dáil Éireann in the Appropriation Act 2014.
Appropriations-in-aid	Departmental receipts which, with the agreement of Dáil Éireann, may be retained to defray the expenses of the vote to which they relate.
Total appropriations	Sum of the supply grant, deferred 2014 capital moneys (if any) and appropriations-in-aid.
Surplus for the year	The excess of total appropriations by Dáil Éireann over the gross expenditure together with any surplus on appropriations-in-aid. The surplus for the year is liable for surrender back to the Exchequer.
Deferred surrender	Amount of capital funding not spent in 2015 which was carried over for expenditure in 2016. These carry overs were approved by Dáil Éireann in the Appropriation Act 2015.
Surplus to be surrendered	Amount of money appropriated in 2015 but not spent in the year or deferred to 2016, and so required to be surrendered to the Exchequer.
Exchequer extra receipts	Departmental receipts that are not appropriated-in-aid of the vote, but are paid directly into the Exchequer.

Figure A1 Summary of appropriations for public services in 2015, by vote

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2014	Appropriations -in-aid	Total	Gross expenditure	Appropriations -in-aid	Net expenditure	Gross surplus	Excess/ (deficit) in receipts	Net surplus for the year ^a
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
1	President's Establishment	3,444	-	106	3,550	3,298	100	3,198	252	(6)	246
2	Department of the Taoiseach	27,022	-	870	27,892	23,288	909	22,379	4,604	39	4,643
3	Office of the Attorney General	15,030	-	815	15,845	13,995	854	13,141	1,850	39	1,889
4	Central Statistics Office	52,836	-	1,889	54,725	49,872	2,287	47,585	4,853	398	5,251
5	Office of the Director of Public Prosecutions	37,834	-	1,005	38,839	38,622	953	37,669	217	(52)	165
6	Office of the Chief State Solicitor	28,466	-	1,860	30,326	29,925	1,672	28,253	401	(188)	213
7	Office of the Minister for Finance	30,618	-	1,350	31,968	26,301	1,935	24,366	5,667	585	6,252
8	Office of the Comptroller and Auditor General	6,682	-	5,875	12,557	12,141	6,124	6,017	416	249	665
9	Office of the Revenue Commissioners	329,481	-	76,156	405,637	401,440	82,512	318,928	4,197	6,356	10,553
10	Office of the Appeal Commissioners	775	-	48	823	543	32	511	280	(16)	264
11	Office of the Minister for Public Expenditure and Reform	40,610	-	3,880	44,490	40,777	4,309	36,468	3,713	429	4,142
12	Superannuation and Retired Allowances	386,770	-	124,230	511,000	499,175	136,404	362,771	11,825	12,174	23,999
13	Office of Public Works	369,848	-	27,526	397,374	390,076	30,408	359,668	7,298	2,882	10,180
14	State Laboratory	8,049	-	851	8,900	8,626	888	7,738	274	37	311
15	Secret Service	1,000	-	-	1,000	635	-	635	365	-	365
16	Valuation Office	9,145	-	1,249	10,394	8,522	1,325	7,197	1,872	76	1,948
17	Public Appointments Service	8,584	-	321	8,905	8,802	414	8,388	103	93	196
18	Shared Services	39,033	998	4,860	44,891	26,183	4,193	21,990	18,708	(667)	18,041
19	Office of the Ombudsman	8,738	-	402	9,140	7,946	362	7,584	1,194	(40)	1,154
20	Garda Síochána	1,383,473	-	128,474	1,511,947	1,503,468	128,485	1,374,983	8,479	11	8,490

	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
21 Prisons	316,540	-	15,642	332,182	331,203	15,922	315,281	979	280	1,259
22 Courts Service	60,150	-	47,815	107,965	107,112	48,097	59,015	853	282	1,135
23 Property Registration Authority	30,311	-	976	31,287	29,924	1,125	28,799	1,363	149	1,512
24 Justice and Equality	311,126	-	61,966	373,092	366,336	64,225	302,111	6,756	2,259	9,015
25 Irish Human Rights and Equality Commission	6,190	-	144	6,334	3,954	222	3,732	2,380	78	2,458
26 Education and Skills	8,187,125	-	561,152	8,748,277	8,726,712	548,816	8,177,896	21,565	(12,336)	9,229
27 International Co-operation	475,473	-	1,150	476,623	475,028	1,557	473,471	1,595	407	2,002
28 Foreign Affairs and Trade	164,958	-	45,048	210,006	208,907	51,482	157,425	1,099	6,434	7,533
29 Communications, Energy and Natural Resources	173,134	4,600	245,417	423,151	399,962	236,652	163,310	23,189	(8,765)	14,424
30 Agriculture, Food and the Marine	876,579	18,000	430,489	1,325,068	1,264,640	438,683	825,957	60,428	8,194	68,622
31 Transport, Tourism and Sport	1,315,932	29,105	410,756	1,755,793	1,728,633	405,663	1,322,970	27,160	(5,093)	22,067
32 Jobs, Enterprise and Innovation	790,412	20,000	49,774	860,186	834,845	51,925	782,920	25,341	2,151	27,492
33 Arts, Heritage and the Gaeltacht	272,829	6,216	4,605	283,650	276,937	6,788	270,149	6,713	2,183	8,896
34 Environment, Community and Local Government	1,281,399	-	47,558	1,328,957	1,243,298	45,920	1,197,378	85,659	(1,638)	84,021
35 Army Pensions	222,090	-	5,400	227,490	227,442	5,376	222,066	48	(24)	24
36 Defence	639,404	-	37,887	677,291	670,539	44,819	625,720	6,752	6,932	13,684
37 Social Protection	11,367,263	-	264,375	11,631,638	11,585,753	270,552	11,315,201	45,885	6,177	52,062
38 Health	12,821,200	-	520,721	13,341,921	13,340,748	527,975	12,812,773	1,173	7,254	8,427
39 Office of Government Procurement	18,974	125	500	19,599	14,320	498	13,822	5,279	(2)	5,277
40 Children and Youth Affairs	1,015,011	-	25,012	1,040,023	1,029,373	24,598	1,004,775	10,650	(414)	10,236
Total	43,133,538	79,044	3,158,154	46,370,736	45,959,301	3,195,061	42,764,240	411,435	36,907	448,342

Source: 2015 appropriation accounts

Note: a The net surplus is comprised of the excess of total appropriations by Dáil Éireann over the gross expenditure together with the excess/deficit on appropriations-in-aid. Any apparent differences in totals are due to rounding.

Figure A2 Application of surplus 2015 appropriations, by vote

Vote	Service	Surplus for the year	Deferred surrender (for 2015)	Surplus for surrender
		€000	€000	€000
1	President's Establishment	246	-	246
2	Department of the Taoiseach	4,643	-	4,643
3	Office of the Attorney General	1,889	-	1,889
4	Central Statistics Office	5,251	-	5,251
5	Office of the Director of Public Prosecutions	165	-	165
6	Office of the Chief State Solicitor	213	-	213
7	Office of the Minister for Finance	6,252	115	6,137
8	Office of the Comptroller and Auditor General	665	-	665
9	Office of the Revenue Commissioners	10,553	2,000	8,553
10	Office of the Appeal Commissioners	264	-	264
11	Office of the Minister for Public Expenditure and Reform	4,142	-	4,142
12	Superannuation and Retired Allowances	23,999	-	23,999
13	Office of Public Works	10,180	7,000	3,180
14	State Laboratory	311	-	311
15	Secret Service	365	-	365
16	Valuation Office	1,948	-	1,948
17	Public Appointments Service	196	-	196
18	Shared Services	18,041	1,248	16,793
19	Office of the Ombudsman	1,154	-	1,154
20	Garda Síochána	8,490	6,644	1,846

Figure A3 Exchequer extra receipts 2015, by vote

Vote	Service	Extra receipts realised
		€000
1	President's Establishment	-
2	Department of the Taoiseach	-
3	Office of the Attorney General	-
4	Central Statistics Office	-
5	Office of the Director of Public Prosecutions	246
6	Office of the Chief State Solicitor	9
7	Office of the Minister for Finance	2
8	Office of the Comptroller and Auditor General	-
9	Office of the Revenue Commissioners	1,780
10	Office of the Appeal Commissioners	-
11	Office of the Minister for Public Expenditure and Reform	-
12	Superannuation and Retired Allowances	-
13	Office of Public Works	4,400
14	State Laboratory	-
15	Secret Service	-
16	Valuation Office	-
17	Public Appointments Service	-
18	Shared Services	-
19	Office of the Ombudsman	-
20	Garda Síochána	3,409

21	Prisons	1,259	-	1,259
22	Courts Service	1,135	-	1,135
23	Property Registration Authority	1,512	-	1,512
24	Justice and Equality	9,015	-	9,015
25	Irish Human Rights and Equality Commission	2,458	-	2,458
26	Education and Skills	9,229	-	9,229
27	International Co-operation	2,002	-	2,002
28	Foreign Affairs and Trade	7,533	475	7,058
29	Communications, Energy and Natural Resources	14,424	5,250	9,174
30	Agriculture, Food and the Marine	68,622	12,000	56,622
31	Transport, Tourism and Sport	22,067	16,100	5,967
32	Jobs, Enterprise and Innovation	27,492	10,000	17,492
33	Arts, Heritage and the Gaeltacht	8,896	6,158	2,738
34	Environment, Community and Local Government	84,021	41,078	42,943
35	Army Pensions	24	-	24
36	Defence	13,684	-	13,684
37	Social Protection	52,062	-	52,062
38	Health	8,427	-	8,427
39	Office of Government Procurement	5,277	200	5,077
40	Children and Youth Affairs	10,236	3,500	6,736
Total		448,342	111,768	336,574

Source: 2015 appropriation accounts

21	Prisons	-
22	Courts Service	11,045
23	Property Registration Authority	57,350
24	Justice and Equality	-
25	Irish Human Rights and Equality Commission	-
26	Education and Skills	2,684
27	International Co-operation	-
28	Foreign Affairs and Trade	-
29	Communications, Energy and Natural Resources	-
30	Agriculture, Food and the Marine	242
31	Transport, Tourism and Sport	4,034
32	Jobs, Enterprise and Innovation	5,516
33	Arts, Heritage and the Gaeltacht	9
34	Environment, Community and Local Government	54,723
35	Army Pensions	-
36	Defence	-
37	Social Protection	25
38	Health	-
39	Office of Government Procurement	11
40	Children and Youth Affairs	11,053
Total		156,538

Source: 2015 appropriation accounts

