

3 Vote accounting and budget management

- 3.1 Government departments and offices receive annual funding from the Exchequer to carry out their statutory functions. Expenditure is provided for under 'votes' approved by Dáil Éireann, with one or more covering the functions of each department or office. Final legal effect is given to the votes in the annual Appropriation Act.
- 3.2 The head of each department or office is appointed as the 'Accounting Officer' for the relevant vote(s), with a statutory obligation to prepare an annual appropriation account for each relevant voted service, showing how the outturn for the year compared with the amount provided by Dáil Éireann. These accounts are subject to audit by the Comptroller and Auditor General.
- 3.3 The Appropriation Act 2021 provided for spending on voted services (appropriations) totalling €76 billion. This was to be funded by the issuing to the votes of €73.1 billion from the Central Fund of the Exchequer (referred to as supply grants), and the use of certain expected vote receipts (referred to as appropriations-in-aid) of €2.9 billion. In addition, unused capital funding totalling €710 million was carried over from 2020 for spending in 2021, bringing the total available vote funding to €76.7 billion.¹

Results of 2021 audits of appropriation accounts

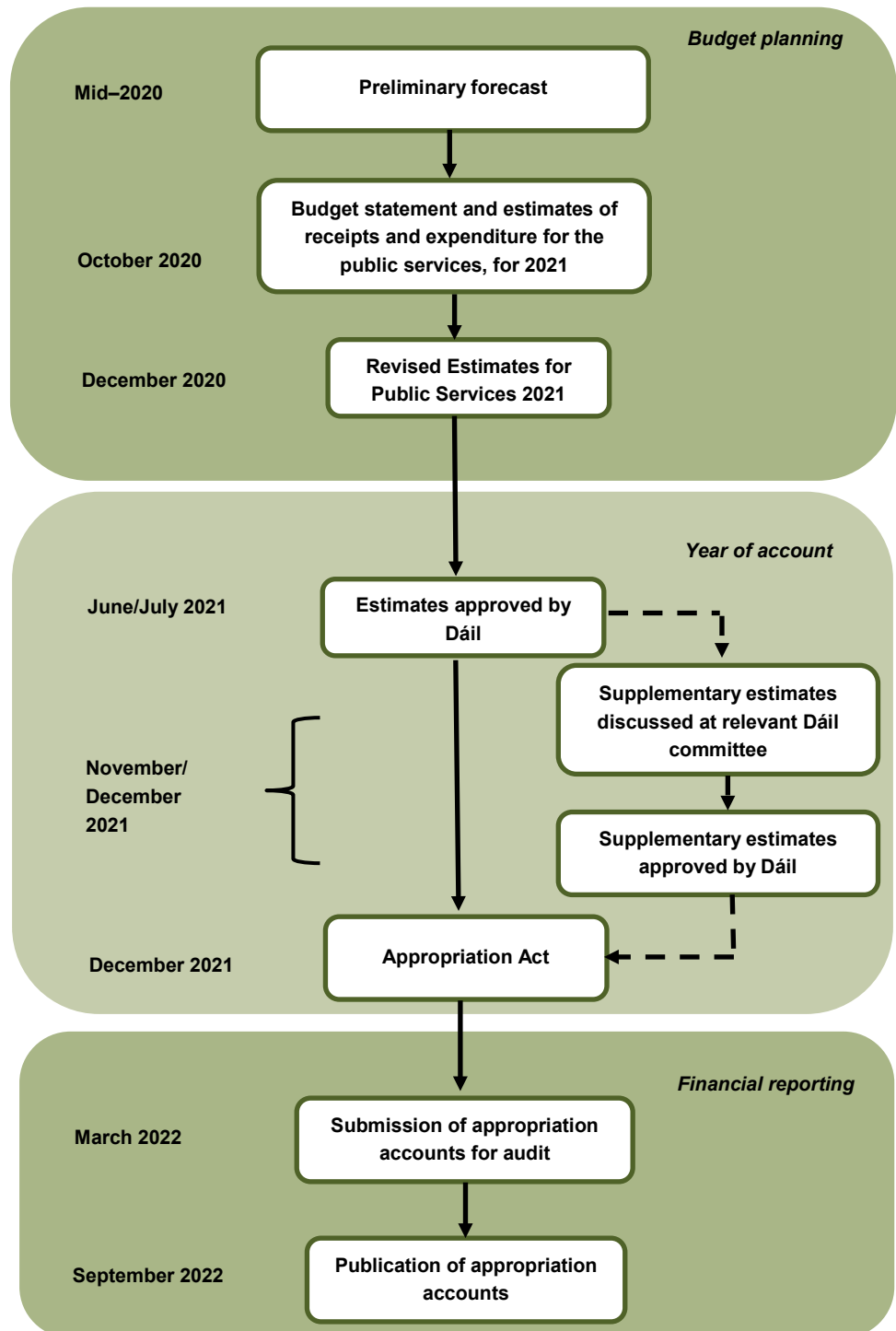
- 3.4 Audits of the 2021 appropriation accounts for all votes have been completed. Each account, together with the related audit report, is being presented to Dáil Éireann with this report.

Annual voted expenditure cycle

- 3.5 The estimates of expenditure presented to the Dáil for approval should reasonably represent the amount that it is expected will be spent on each departmental service. They also effectively serve as cash limits.
- 3.6 If, as the year progresses, large funding adjustments are required after Dáil approval of the votes, formal approval for these adjustments must be sought from the Dáil. This is done through the supplementary estimate process (see Figure 3.1). This process may also be used to move funds between programmes and subheads, if required. Details of supplementary estimates requested are discussed at the relevant Dáil committees (typically in the final quarter of the year) before approval is sought from the Dáil itself.

¹ In presenting estimates and reports on voted expenditure, the Department of Public Expenditure and Reform generally includes the Social Insurance Fund and the National Training Fund in total gross voted expenditure. These are not voted appropriations, but the Department considers that their inclusion in those circumstances provides a more complete picture of overall Government expenditure.

Figure 3.1 Sequence and timing of the 2021 estimates process^a



Source: Office of the Comptroller and Auditor General

Note: a Further details on the estimates and appropriation account process are set out in the Department of Public Expenditure and Reform publication *Public Financial Procedures*.

Evolution of vote estimates in 2021

3.7 The *Revised Estimates for Public Services 2021* published in December 2020, provided for total net voted funding of almost €67.7 billion across 45 votes. This was subsequently revised on a number of occasions.

3.8 In 2021, further revised estimates¹ were presented for the following voted services

- Enterprise, Trade and Employment
- Tourism, Culture, Arts, Gaeltacht, Sport and Media
- Social Protection and
- Rural and Community Development.

This resulted in an increase of €4 billion in the net amount approved for spending.

3.9 Approved supplementary estimates provided a further €1.3 billion, resulting in an aggregate provision of €73 billion (net) for voted services in 2021.

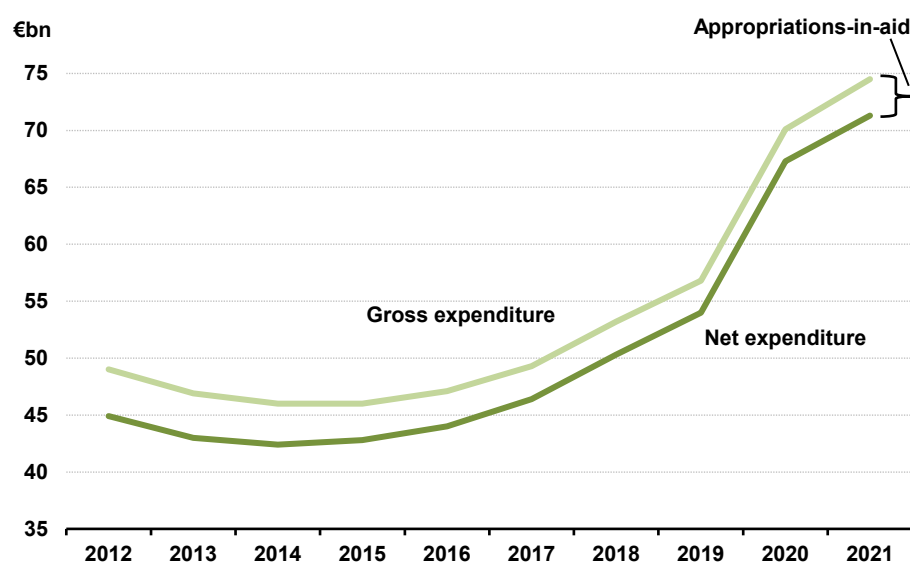
Appropriations

3.10 A summary of the amounts appropriated in 2021 for voted public services is included in Annex 3A (Figure 3A.1). The outturn for the year is also shown, together with the surplus of appropriations over expenditure.

Vote outturn

3.11 The total amount spent by departments and offices in 2021 was €74.5 billion (see Figure 3.2). After deduction of realised appropriations-in-aid totalling €3.2 billion, the net expenditure in the year was €71.3 billion.

Figure 3.2 Voted expenditure outturn, 2012 to 2021



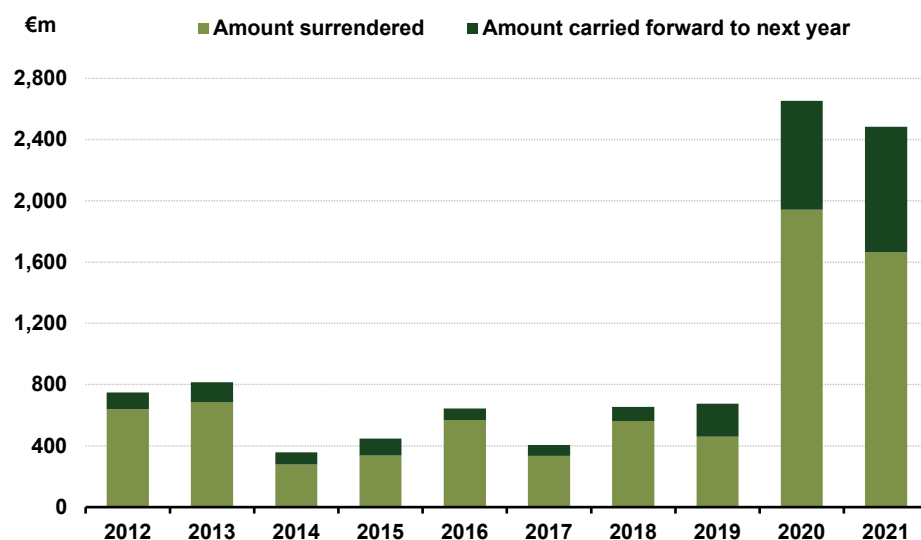
¹ For most votes, the standard estimates cycle is followed. However, votes can have a further revised estimate published where changes to its budgets are agreed in the period between the revised estimates and Dáil approval.

Source: Reports on the Accounts of the Public Services, 2012 to 2021, Annex 3A Figure 3A.1

Surpluses

- 3.12** Departments and offices are not permitted to spend more than the amount appropriated for each vote. When the net expenditure in the year is less than the amount provided, the surplus is liable to be surrendered to the Exchequer.
- 3.13** Surpluses were recorded by all votes in 2021. The 2021 surpluses totalled €2,484 million (see Figure 3.3). Of that amount, a total of €819 million was approved for carry over to 2022. The balance of €1,665 million was due for surrender.

Figure 3.3 Surplus appropriations, 2012 to 2021



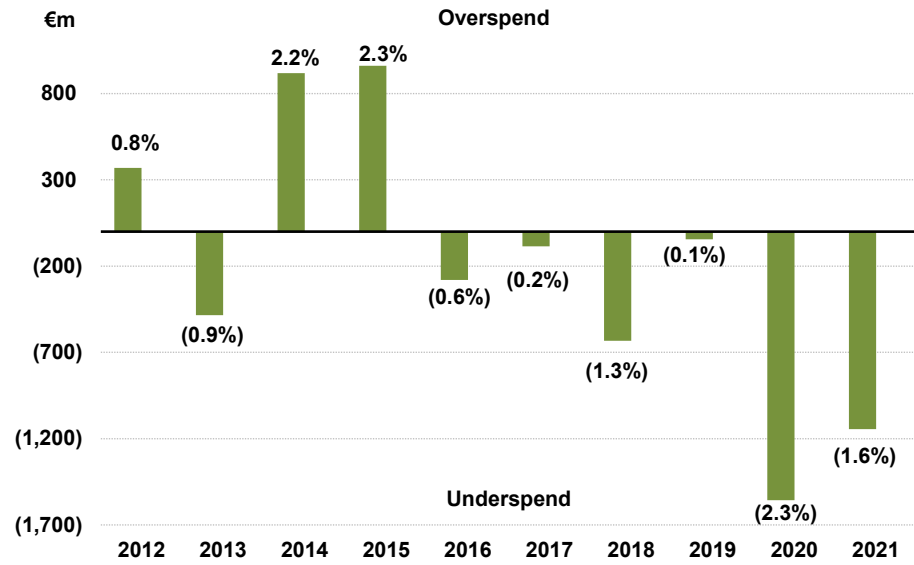
Source: Reports on the Accounts of the Public Services, 2012 to 2021, Annex 3A Figure 3A.2

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

Budget variance

- 3.14** The estimated amounts approved by Dáil Éireann for 2021 represent the forecast of the amount required to meet the cost of the services to be provided from each vote. The budget variance is the difference between these estimates of net expenditure and the actual outturn in a year.¹ Each year since 2016, the total net expenditure for all votes has been less than the total provided (see Figure 3.4).

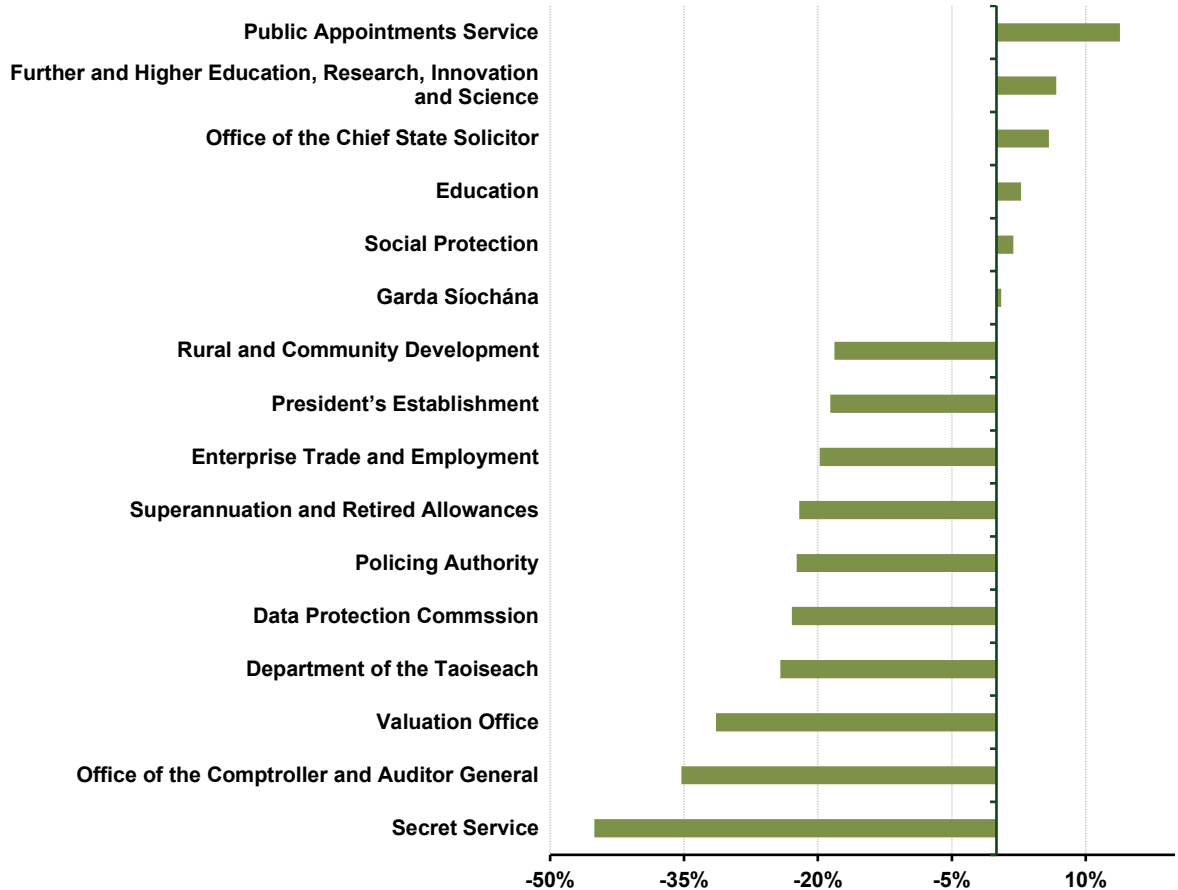
Figure 3.4 Net expenditure variance from budget, all votes, 2012 to 2021



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

3.15 Only six of the 45 votes spent more than was originally budgeted for in 2021. All other votes spent less than originally budgeted for, including a number where the outturn was significantly less than provided for (see Figure 3.5).

Figure 3.5 Net expenditure variance, as a proportion of the original budget, selected votes 2021



Source: Office of the Comptroller and Auditor General

Exchequer receipts

- 3.16** All receipts of central government departments and offices are liable for lodgement to the Exchequer, unless Dáil Éireann decides that they may be applied as appropriations-in-aid.
- 3.17** Examples of receipts that are not treated as appropriations-in-aid include Ireland's receipts from the EU Emissions Trading System, Property Registration Authority fees and court fine receipts. These are transferred to the Central Fund, and are referred to as Exchequer 'extra' receipts. Windfall receipts are also usually brought to account in this way, including proceeds of important sales of property, receipts on foot of surplus income or profits of State companies, interest, dividends or capital repayments and compensation.
- 3.18** Exchequer extra receipts realised in 2021 are shown in the notes to the relevant appropriation accounts. Exchequer extra receipts recorded by departments and offices in 2021 totalled €370 million (2020: €245 million). The aggregate amount of those receipts reported in each account is set out in Annex 3A (Figure 3A.3).

Vote 11 Office of the Minister for Public Expenditure and Reform: exceptional charge re payment of interest and arbitration costs

- 3.19** The 2021 appropriation account for Vote 11 Office of the Minister for Public Expenditure and Reform discloses (in note 6.3) a payment of €460,000 to a supplier as a result of arbitration proceedings.
- 3.20** The Communications Regulation (Postal Services) Act 2011 provides for the Minister for Public Expenditure and Reform to agree the terms and conditions for the provision of free postage allowances to election candidates, and for the related costs to be a charge on the Central Fund of the Exchequer. Payments are issued from the Central Fund as required, at the request of the Minister for Public Expenditure and Reform.
- 3.21** The amounts issued from the Central Fund in respect of the cost of postage for the general elections in 2011, 2016 and 2020 were:
- 2011 — €15.8 million
 - 2016 — €15.6 million
 - 2020 — €20.2 million.
- 3.22** There was an agreement in place with An Post for the 2011 general election in relation to the discounted cost per item for the free postage service to election candidates. No agreement was put in place between the Department of Public Expenditure and Reform and An Post in respect of the 2016 general election.
- 3.23** A dispute arose over the amount of the postal charges due to An Post for the 2016 general election. The dispute related to the higher cost per item (54 cent) billed by An Post for the 2016 election, as compared to the cost of 48 cent per item charged for the 2011 general election. The total amount invoiced by An Post in 2016 was €15.6 million. The Department directed a payment of €14.1 million to An Post, to issue from the Central Fund in May 2016. The Department disputed the liability of the Exchequer to pay the balance of €1.5 million.

- 3.24** Since 2016, the Department and An Post have had protracted engagement in relation to the disputed amount, and agreed to enter binding arbitration on the matter. An agreement was reached that resulted in the payment, in December 2021, of the outstanding postal charges (€1.5 million) and an additional payment of €460,000 to An Post.
- 3.25** The payment of the disputed postal charges balance was charged to the Central Fund.
- 3.26** The additional charge of €460,000 comprised €370,000 in lieu of late payment interest on the disputed amount (the agreed amount was equivalent to 50% of the interest otherwise due on the late payment); and a contribution of €90,000 towards the arbitration costs. These expenses were not chargeable to the Central Fund, and were paid instead from Vote 11 Office of the Minister for Public Expenditure and Reform, under the classification of incidental expenses.
- 3.27** In May 2022 the Department entered into an agreement with An Post to fix the cost of election postage for set periods up to February 2026.

Annex 3A Vote financial outturn

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

Figure 3A.1 provides a summary of appropriations for public services in 2021, by vote.

Figure 3A.2 shows how surplus appropriations in 2021 were applied — either through deferral of expenditure to 2022, or by surrender to the Exchequer.

Figure 3A.3 shows the Exchequer extra receipts recorded against each vote in 2021.

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 2020	Amount of capital funding not spent in 2020 and carried over for expenditure on capital services in 2021. The carry-over of these sums was approved by Dáil Éireann.
Appropriations-in-aid	Departmental receipts which, with the agreement of Dáil Éireann, may be retained to defray the expenses of the vote to which they relate.
Total appropriations	Sum of the supply grant, deferred 2020 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 2021 which was carried over for expenditure in 2022. These carry overs were approved by Dáil Éireann.
Surplus to be surrendered	Amount of money appropriated in 2021 but not spent in the year or deferred to 2022, 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 transferred to the Exchequer.

Figure 3A.1 Summary of appropriations for public services in 2021, by vote

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2020	Appropriations -in-aid	Total	Gross expenditure	Appropriations -in-aid	Net expenditure	Gross surplus (deficit)	Excess/ (deficit) in receipts	Net surplus for the year ^a
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
1	President's Establishment	4,511	-	82	4,593	3,783	112	3,671	810	30	840
2	Department of the Taoiseach	50,177	-	917	51,094	38,719	699	38,020	12,375	(218)	12,157
3	Office of the Attorney General	16,754	-	705	17,459	16,707	556	16,151	752	(149)	603
4	Central Statistics Office	63,155	-	1,520	64,675	61,880	1,663	60,217	2,795	143	2,938
5	Office of the Director of Public Prosecutions	44,704	-	845	45,549	45,244	772	44,472	305	(73)	232
6	Office of the Chief State Solicitor	40,685	-	810	41,495	41,432	1,530	39,902	63	720	783
7	Office of the Minister for Finance	39,511	-	1,150	40,661	36,378	1,151	35,227	4,283	1	4,284
8	Office of the Comptroller and Auditor General	9,623	-	5,883	15,506	14,548	8,322	6,226	958	2,439	3,397
9	Office of the Revenue Commissioners	441,727	-	59,487	501,214	488,701	56,739	431,962	12,513	(2,748)	9,765
10	Tax Appeals Commission	3,218	-	75	3,293	2,825	63	2,762	468	(12)	456
11	Office of the Minister for Public Expenditure and Reform	42,674	-	2,275	44,949	42,478	2,952	39,526	2,471	677	3,148
12	Superannuation and Retired Allowances	339,869	-	360,400	700,269	698,543	433,798	264,745	1,726	73,398	75,124
13	Office of Public Works	501,775	20,000	13,000	534,775	492,530	11,113	481,417	42,245	(1,887)	40,358
14	State Laboratory	10,513	-	1,046	11,559	11,190	1,125	10,065	369	79	448

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2020	Appropriations -in-aid	Total	Gross expenditure	Appropriations -in-aid	Net expenditure	Gross surplus (deficit)	Excess/ (deficit) in receipts	Net surplus for the year ^a
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
15	Secret Service	2,000	-	-	2,000	1,099	-	1,099	901	-	901
16	Valuation Office	16,296	-	1,283	17,579	12,130	953	11,177	5,449	(330)	5,119
17	Public Appointments Service	20,301	200	154	20,655	19,525	361	19,164	1,130	207	1,337
18	National Shared Services Office	55,587	1,435	6,238	63,260	59,094	6,438	52,656	4,166	200	4,366
19	Office of the Ombudsman	12,139	-	505	12,644	10,443	366	10,077	2,201	(139)	2,062
20	Garda Síochána	1,879,075	12,750	119,011	2,010,836	2,000,881	122,332	1,878,549	9,955	3,321	13,276
21	Prisons	385,384	5,468	9,152	400,004	392,389	10,568	381,821	7,615	1,416	9,031
22	Courts Service	126,882	4,895	27,633	159,410	154,092	27,011	127,081	5,318	(622)	4,696
23	Property Registration Authority	32,481	-	580	33,061	31,108	660	30,448	1,953	80	2,033
24	Justice	399,510	3,900	89,401	492,811	467,028	90,513	376,515	25,783	1,112	26,895
25	Irish Human Rights and Equality Commission	6,933	-	81	7,014	6,817	76	6,741	197	(5)	192
26	Education	8,910,710	-	370,191	9,280,901	9,263,008	380,141	8,882,867	17,893	9,950	27,843
27	International Co-operation	569,984	-	1,030	571,014	568,273	1,041	567,232	2,741	11	2,752
28	Foreign Affairs	236,760	-	44,701	281,461	266,350	51,169	215,181	15,111	6,468	21,579
29	Environment, Climate and Communications	719,977	37,747	11,078	768,802	664,001	12,286	651,715	104,801	1,208	106,009
30	Agriculture, Food and the Marine	1,462,330	31,600	363,789	1,857,719	1,692,718	386,665	1,306,053	165,001	22,876	187,877

Vote	Service	Amount appropriated				Outturn			Surplus/deficit		
		Supply grants	Deferred from 2020	Appropriations -in-aid	Total	Gross expenditure	Appropriations -in-aid	Net expenditure	Gross surplus (deficit)	Excess/ (deficit) in receipts	Net surplus for the year ^a
		€000	€000	€000	€000	€000	€000	€000	€000	€000	€000
31	Transport	3,627,199	151,480	20,990	3,799,669	3,460,152	35,956	3,424,196	339,517	14,966	354,482
32	Enterprise, Trade and Employment	1,088,160	106,200	53,982	1,248,342	1,027,077	69,051	958,026	221,265	15,069	236,334
33	Tourism, Culture, Arts, Gaeltacht, Sport and Media	876,097	16,892	250,606	1,143,595	1,086,892	234,822	852,070	56,703	(15,784)	40,919
34	Housing, Local Government and Heritage	5,255,420	214,000	61,932	5,531,352	5,143,024	66,076	5,076,948	388,328	4,144	392,472
35	Army Pensions	257,650	-	5,000	262,650	259,903	4,983	254,920	2,747	(17)	2,730
36	Defence	785,461	-	24,320	809,781	786,405	30,457	755,948	23,376	6,137	29,513
37	Social Protection	17,863,508	910	393,810	18,258,228	18,152,515	432,977	17,719,538	105,713	39,167	144,880
38	Health	21,696,964	68,174	432,770	22,197,908	21,748,684	481,780	21,266,904	449,224	49,010	498,234
39	Office of Government Procurement	18,500	59	400	18,959	17,246	483	16,763	1,713	83	1,796
40	Children, Equality, Disability, Integration and Youth	1,879,461	4,100	39,121	1,922,682	1,824,224	39,175	1,785,049	98,458	54	98,512
41	Policing Authority	3,750	-	47	3,797	2,975	65	2,910	822	18	840
42	Rural and Community Development	308,000	13,180	43,027	364,207	344,450	81,580	262,870	19,757	38,553	58,310
43	Office of the Government Chief Information Officer	22,799	-	142	22,941	22,664	181	22,483	277	39	316
44	Data Protection Commission	18,898	-	230	19,128	14,757	189	14,568	4,371	(41)	4,330
45	Further and Higher Education, Research, Innovation and Science	2,911,500	16,700	126,368	3,054,568	3,007,836	128,974	2,878,862	46,732	2,606	49,338
	Total	73,058,612	709,690	2,945,767	76,714,069	74,502,718	3,217,924	71,284,794	2,211,351	272,157	2,483,507

Source: 2021 Appropriation Accounts. Any apparent differences in totals are due to rounding.

Note: a The net surplus is comprised of the excess of total appropriations by Dáil Éireann over the gross expenditure together with the excess (deficit) on appropriations-in-aid.

Figure 3A.2 Application of surplus 2021 appropriations, by vote

Vote	Service	Surplus for the year	Deferred surrender (to 2022)	Surplus for surrender
		€000	€000	€000
1	President's Establishment	840	-	840
2	Department of the Taoiseach	12,157	-	12,157
3	Office of the Attorney General	603	-	603
4	Central Statistics Office	2,938	-	2,938
5	Office of the Director of Public Prosecutions	232	-	232
6	Office of the Chief State Solicitor	783	-	783
7	Office of the Minister for Finance	4,284	-	4,284
8	Office of the Comptroller and Auditor General	3,397	-	3,397
9	Office of the Revenue Commissioners	9,765	493	9,272
10	Tax Appeals Commission	456	-	456
11	Office of the Minister for Public Expenditure and Reform	3,148	-	3,148
12	Superannuation and Retired Allowances	75,124	-	75,124
13	Office of Public Works	40,358	20,700	19,658
14	State Laboratory	448	-	448
15	Secret Service	901	-	901
16	Valuation Office	5,119	325	4,794
17	Public Appointments Service	1,337	-	1,337
18	National Shared Services Office	4,366	-	4,366
19	Office of the Ombudsman	2,062	-	2,062
20	Garda Síochána	13,276	-	13,276
21	Prisons	9,031	3,601	5,430
22	Courts Service	4,696	3,648	1,048
23	Property Registration Authority	2,033	100	1,933
24	Justice	26,895	5,122	21,773
25	Irish Human Rights and Equality Commission	192	-	192
26	Education	27,843	-	27,843
27	International Co-operation	2,752	-	2,752
28	Foreign Affairs	21,579	-	21,579
29	Environment, Climate and Communications	106,009	57,917	48,092
30	Agriculture, Food and the Marine	187,877	29,900	157,977
31	Transport	354,482	161,100	193,382
32	Enterprise Trade and Employment	236,334	79,660	156,674
33	Tourism, Culture, Arts, Gaeltacht, Sport and Media	40,919	18,400	22,519
34	Housing, Local Government and Heritage	392,472	275,800	116,672
35	Army Pensions	2,730	-	2,730
36	Defence	29,513	-	29,513
37	Social Protection	144,880	1,200	143,680
38	Health	498,234	104,000	394,234
39	Office of Government Procurement	1,796	35	1,761
40	Children Equality, Disability, Integration and Youth	98,512	3,200	95,312
41	Policing Authority	840	-	840
42	Rural and Community Development	58,310	16,860	41,450
43	Office of the Government Chief Information Officer	316	-	316
44	Data Protection Commission	4,330	-	4,330
45	Further and Higher Education, Research, Innovation and Science	49,338	37,200	12,138
Total		2,483,507	819,261	1,664,246

Source: 2021 Appropriation Accounts. Analysis by the Office of the Comptroller and Auditor General.

Figure 3A.3 Exchequer extra receipts 2021, by vote

Vote	Service	Extra receipts realised
		€000
1	President's Establishment	0
2	Department of the Taoiseach	99
3	Office of the Attorney General	0
4	Central Statistics Office	0
5	Office of the Director of Public Prosecutions	0
6	Office of the Chief State Solicitor	388
7	Office of the Minister for Finance	1
8	Office of the Comptroller and Auditor General	0
9	Office of the Revenue Commissioners	1,324
10	Tax Appeals Commission	0
11	Office of the Minister for Public Expenditure and Reform	44
12	Superannuation and Retired Allowances	0
13	Office of Public Works	0
14	State Laboratory	0
15	Secret Service	0
16	Valuation Office	0
17	Public Appointments Service	0
18	National Shared Services Office	0
19	Office of the Ombudsman	4
20	An Garda Síochána	8,550
21	Prisons	0
22	Courts Service	7,252
23	Property Registration Authority	70,987
24	Justice	37
25	Irish Human Rights and Equality Commission	0
26	Education	0
27	International Co-operation	0
28	Foreign Affairs	0
29	Environment, Climate and Communications	148,086
30	Agriculture, Food and the Marine	3,484
31	Transport	3,081
32	Enterprise, Trade and Employment	112,075
33	Tourism, Culture, Arts, Gaeltacht, Sports and Media	22
34	Housing, Local Government and Heritage	767
35	Army Pensions	0
36	Defence	0
37	Social Protection	3
38	Health	53
39	Office of Government Procurement	75
40	Children Equality, Disability, Integration and Youth Affairs	10,875
41	Policing Authority	0
42	Rural and Community Development	16
43	Office of the Government Chief Information Officer	0
44	Data Protection Commission	800
45	Further and Higher Education, Research, Innovation and Science	2,002
Total		370,025

Source: 2021 Appropriation Accounts. Analysis by the Office of the Comptroller and Auditor General.

Note: a The receipts stated are net figures.

