

Appropriation Account 2025

Vote 19

Office of the Ombudsman

Introduction

As Accounting Officer for Vote 19, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2025 for the salaries and expenses of the Office of the Ombudsman, the Office of the Commission for Public Service Appointments, the Office of the Protected Disclosures Commissioner, the Standards in Public Office Commission, the Office of the Information Commissioner and the Office of the Commissioner for Environmental Information.

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

A surplus of €2.384 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.

Restructuring of the Vote

From 2025, all of the Vote expenditure is combined into a single programme. The 2024 outturn figures have been amalgamated and presented on the same basis for comparative purposes.

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 1 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 capital assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of depreciation/ amortisation</i>
Office and IT equipment	5 years	20%
Software licences	Licence term (3 years)	33%
Acquired/developed software	5 years	20%

Statement on internal financial control

Responsibility for system of internal financial control

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

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

Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Office and the National Shared Services Office (NSSO) for the provision of HR, finance and payroll shared service.

I rely on a letter of assurance from the Accounting Officer of the NSSO that the appropriate controls are exercised in the provision of shared services, including financial shared services, to this Office.

Financial control environment

A control environment comprising the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit and Risk Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for key business processes have been documented.
- There are systems in place to safeguard the assets.

Administrative controls and management reporting

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

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- A risk management system operates within the Office.
- There are systems aimed at ensuring the security of the ICT systems.

Internal audit and Audit and Risk Committee

The Office has an internal audit function which is externally outsourced, with appropriately trained personnel. The internal audit unit operates under a charter which was approved in June 2025. Its work is informed by analysis of the financial risks to which the Office is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. I have put procedures in place to ensure that the reports of the internal audit function are followed up. The Office has an Audit and Risk Committee which operates under a charter. The Audit and Risk Committee review the audit plans, and the progress on implementation of recommendations. It provides guidance to the Internal Audit function and me with independent advice in this regard.

Procurement

The Office ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines. Expenditure on goods and professional and other contracted services amounted to a total of €2.35 million in 2025.

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

Risk and control framework

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

A risk register is in place which identifies the key risks facing the Office and these have been identified, evaluated and graded according to their significance. The risk register details the controls and actions needed to mitigate risks and assigns responsibility for operation of controls assigned to specific staff.

The register is reviewed and updated by the Management Team on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level. The risk register is also reviewed by the Audit and Risk Committee which provides me with independent advice in relation to risks.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Management Team, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

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

Cyber-attack

In December 2025, the Office was the subject of a cyber-attack which resulted in our Customer Relationship Management (CRM) systems and our Document Management System (DMS) being unavailable. Following an investigation, it was established that the Office had been the subject of a ransomware attack.

The Office sought the assistance of the National Cyber Security Centre (NCSC) and the Office of the Government Chief Information Officer (OGCIO) in the matter. The NCSC immediately stood up an emergency incident response team to forensically investigate the incident. The services of KPMG were engaged to ensure that the Office's systems were secure and that the threat actor was completely locked out.

A number of protective measures have been undertaken as part of the incident response and the below provides an outline of the actions taken or underway.

- The Ombudsman's closed network, which hosted its CRM and DMS systems, was fully isolated from external access.
- There was a review of all firewall configurations and rules and a lockdown of all firewalls.
- A new 'green' network was created within the Office's premises to allow for Office-specific workstations and servers to be configured for use.
- SentinelOne Endpoint Detection and Response solution was deployed on all Office workstations and servers within the Office's network.
- In-depth threat hunting was carried out on all systems within the network.
- OGCIO enabled additional security monitoring on the network.
- All passwords for personnel and system accounts in use across all ICT systems to which the Office had access were changed.
- The NCSC enabled monitoring solutions to monitor the internet, deep and dark web.
- The incident was reported to the Data Protection Commission and An Garda Síochána.
- The Office promptly obtained a High Court Order to protect the data held on the affected systems.

The Office activated its business continuity processes to enable business operations to continue. An interim operational readiness programme was delivered to restore archive data and facilitate a rebuild of case files.

The Office has undertaken a future focussed programme of work to rebuild the CRM and DMS in a secure cloud environment.

Direct costs totalling €306,082 were incurred in 2025 in relation to responding to the cyber-attack. A further €253,424 in related direct costs was paid in 2026.

Internal financial control issues

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

Elaine Cassidy

Accounting Officer

Office of the Ombudsman

14 September 2026

Comptroller and Auditor General Report for presentation to Dáil Éireann

Vote 19 Office of the Ombudsman Opinion on the appropriation account

I have audited the appropriation account for Vote 19 Office of the Ombudsman 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 19 Office of the Ombudsman for the year ended 31 December 2025, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Office of the Ombudsman 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.

Cyber-attack

The statement on internal financial control discloses that costs of just under €560,000 were incurred following a cyber-attack in December 2025 that significantly impacted two of the core IT systems relied on by the Office of the Ombudsman.

Seamus McCarthy
Comptroller and Auditor General

18 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 19 Office of the Ombudsman

Appropriation Account 2025

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Ombudsman function/Office of the Commission for Public Service Appointments/Office of the Protected Disclosures Commissioner/Standards in Public Office Commission/Office of the Information Commissioner/Office of the Commissioner for Environmental Information	17,481	15,147	13,817
Gross expenditure		17,481	15,147	13,817
<i>Deduct</i>				
B	Appropriations-in-aid	490	540	525
Net expenditure		16,991	14,607	13,292

Surplus

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

	2025	2024
	€	€
Surplus to be surrendered	2,383,925	1,203,885

Elaine Cassidy
Accounting Officer
Office of the Ombudsman

10 March 2026

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2025

		2025	2024
	€000	€000	€000
Pay		12,509	11,342
Non pay		2,638	2,475
Gross expenditure		15,147	13,817
<i>Deduct</i>			
Appropriations-in-aid		540	525
Net expenditure		14,607	13,292
Changes in capital assets			
<i>Intangible assets (note 2.2)</i>			
Purchases	(230)		
Amortisation	161		
		(69)	(117)
Changes in net current assets			
Increase in prepayments	(26)		
Increase in accrued income	(17)		
Increase in accrued expenses	263		
		220	274
Direct voted expenditure		14,758	13,449
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		5,201	5,679
Net programme cost		19,959	19,128

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 19 borne elsewhere.

		2025	2024
		€000	€000
Vote 9	Office of the Revenue Commissioners	41	41
Vote 12	Superannuation and Retired Allowances	2,555	2,321
Vote 13	Office of Public Works	2,196	2,376
Vote 18	National Shared Services Office	216	767
Vote 43	Office of the Government Chief Information Officer	193	174
		5,201	5,679

Note 2 Statement of Financial Position as at 31 December 2025

	Note	2025 €000	2024 €000
Capital assets			
Property, plant and equipment	2.1	—	—
Intangible assets	2.2	655	586
		655	586
Current assets			
Bank and cash		382	194
Other prepayments	2.3	554	528
Accrued income		20	3
Other debit balances		283	253
		1,239	978
<i>Less</i>			
Current liabilities			
Accrued expenses	2.4	804	541
Other credit balances	2.5	525	419
Net Exchequer funding	2.6	140	28
		1,469	988
Net current liabilities		(230)	(10)
Net assets		425	576
Represented by:			
State funding account	2.7	425	576

2.1 Property, plant and equipment

	Office and IT equipment €000	Total €000
Cost or valuation		
At 1 January 2025	528	528
Additions	—	—
At 31 December 2025	528	528
Accumulated depreciation		
At 1 January 2025	528	528
Depreciation for the year	—	—
At 31 December 2025	528	528
Net assets		
At 31 December 2025	—	—
At 31 December 2024	—	—

2.2 Intangible assets

	Acquired and developed software €000	Total €000
Cost or valuation		
At 1 January 2025	2,432	2,432
Additions	230	230
Disposals	(886)	(886)
At 31 December 2025	1,776	1,776
Accumulated amortisation		
At 1 January 2025	1,846	1,846
Amortisation for the year	161	161
Amortisation on disposals	(886)	(886)
At 31 December 2025	1,121	1,121
Net assets		
At 31 December 2025	655	655
At 31 December 2024	586	586

2.3 Prepayments

at 31 December	2025	2024
	€000	€000
Software licenses	353	301
Other prepayments	201	227
	554	528

2.4 Accrued expenses

at 31 December	2025	2024
	€000	€000
Payroll related accruals	620	464
Administration expenses	184	77
	804	541

2.5 Other credit balances

at 31 December	2025	2024
	€000	€000
Amounts due to the State		
Income tax	194	175
Pay related social insurance	126	106
Value added tax	16	15
Professional services withholding tax	84	33
Pension contributions	43	37
	463	366
Suspense		
Payroll deductions held in suspense	43	37
Other credit suspense items	19	16
	62	53
	525	419

2.6 Net Exchequer funding

at 31 December	2025	2024
	€000	€000
Surplus to be surrendered	2,384	1,204
Exchequer grant undrawn	<u>(2,244)</u>	<u>(1,176)</u>
Net Exchequer funding	<u>140</u>	<u>28</u>
Represented by:		
Debtors		
Bank and cash	382	194
Debit balances: suspense	<u>283</u>	<u>253</u>
	665	447
Creditors		
Due to the State	(463)	(366)
Credit balances: suspense	<u>(62)</u>	<u>(53)</u>
	<u>(525)</u>	<u>(419)</u>
	<u>140</u>	<u>28</u>

2.7 State funding account

	Note	2025	2024
		€000	€000
Balance at 1 January		576	764
Disbursements from the Vote			
Estimate provision	Account	16,991	
Surplus to be surrendered	Account	<u>(2,384)</u>	
Net vote		14,607	13,292
Expenditure borne elsewhere	1.1	5,201	5,679
Non-cash items			
Intangible asset under development adjustment ^a		—	(31)
Net programme cost	1	<u>(19,959)</u>	<u>(19,128)</u>
Balance at 31 December		<u>425</u>	<u>576</u>

Note ^a This adjustment relates to the discontinuation of a project following a review as the original technical proposal has been superseded by significant changes in technology. The project was discontinued in January 2024.

2.8 Commitments

	2025	2024
a) Global commitments	€000	€000
at 31 December		
Procurement of goods and services	<u>220</u>	<u>—</u>

2.9 Contingent liabilities

The Office is awaiting the finalisation of six statutory appeal/judicial review cases where legal costs have been ordered against the Office. It is not possible to estimate, in advance, the potential liability of any settlements in respect of the legal cost claims at the date of the financial statements.

In addition, the Office is involved in a number of pending legal proceedings which may generate legal costs liabilities depending on the outcome of the litigation. Any actual amount or timing of potential legal costs liabilities is uncertain.

2.10 Impact of accounting policy changes

Nine central government accounting standards (CGAS) were implemented with effect from 1 January 2024 and six central government accounting standards (CGAS) were implemented with effect from 1 January 2025. The implementation had the following impact on the State funding balance in the year of account.

	2025	2024
	€000	€000
Payroll accrual ^a	—	(349)
Holiday accrual ^a	—	(115)
Additional superannuation contributions receivable ^b	15	—
	<u>15</u>	<u>(464)</u>

Notes ^a CGAS 39A Employee Benefits Part A

^b CGAS 23 Revenue from Non-Exchange Transactions (Taxes and Transfers)

Note 3 Vote Expenditure

Analysis of administration expenditure

All the allocation for Vote 19 Office of the Ombudsman is classified as administration expenditure applied toward a single programme: Ombudsman function/Office of the Commission for Public Service Appointments/Office of the Protected Disclosures Commissioner/Standards in Public Office Commission/Office of the Information Commissioner/Office of the Commissioner for Environmental Information.

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages, pensions and allowances	14,496	12,509	11,342
ii	Travel and subsistence	50	25	24
iii	Training and development	175	156	114
iv	Operational services, supplies and sundry equipment	350	321	296
v	Digital capital investment and IT expenses	1,500	1,375	1,024
vi	Premises expenses	200	147	100
vii	Policy reviews, consultancy services and research	10	—	—
viii	Legal fees	700	614	917
		17,481	15,147	13,817

Note 4 Receipts and Revenue

4.1 Appropriations-in-aid

		2025		2024
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Appropriations-in-aid	50	36	48
2	Fixed payment fines under section 21 of the Regulation of Lobbying Act 2015	75	80	79
3	Additional superannuation contributions	364	419	393
4	Miscellaneous	1	5	5
		490	540	525

4.2 Revenue of the Vote

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

	2025
	€000
Non-exchange transaction revenue	
Central Fund grant	14,607
Additional superannuation contributions	434
Fines and fees	88
Staff related receipts	30
Miscellaneous	5
Total revenue	15,164
Represented by	
Total appropriations-in-aid (note 4.1)	540
Central Fund grant	14,607
Increase in accrued income	17
	15,164

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

At 31 December	2025	2024
Number of staff at year end	<u>169</u>	<u>153</u>

5.2 Pay

	2025	2024
	€000	€000
Pay	11,392	10,360
Higher, special or additional duties allowances	26	30
Overtime	10	14
Employer's PRSI	<u>1,081</u>	<u>938</u>
	<u>12,509</u>	<u>11,342</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2025 €	2024 €
Higher, special or additional duties allowances	5	1	11,128	10,398
Overtime	3	—	7,268	7,115
Extra remuneration in more than one category	2	1	12,455	12,164

5.4 Office employee pay bands

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

Pay bands (€)		Number of employees	
From	To	2025	2024
20,000	59,999	80	81
60,000	69,999	17	13
70,000	79,999	16	14
80,000	89,999	20	22
90,000	99,999	18	12
100,000	109,999	10	10
110,000	119,999	2	1
120,000	129,999	2	1
130,000	139,999	1	—
180,000	189,999	1	1
190,000	219,000	—	—
220,000	229,999	—	1
230,000	239,999	1	—

5.5 Remuneration and benefits of Accounting Officer

	2025	2024
	€000	€000
Basic pay	186	184

The Accounting Officer's salary is at Assistant Secretary grade.

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

5.6 Other remuneration arrangements

Three retired civil servants in receipt of a civil service pension were re-engaged on a fee basis at a total cost of €3,306. The payments made were consistent with the principles of the Public Service (Single Scheme and other Provisions) Act 2012.

5.7 Payroll overpayments

at 31 December	Number of recipients	2025 €	2024 €
Overpayments	10	10,889	19,203
Recovery plans in place	1	2,571	5,433

Note 6 Miscellaneous

6.1 Compensation and legal costs

Payments/costs paid by the Office in the year

In respect of statutory legal challenges, appeals, judicial reviews, prosecutions and other legal proceedings not relating to claims by employees or members of the public.

	2025	2024
Number of cases	26	28
	€000	€000
Office's own legal costs	400	463
Payments by/on behalf of the Office		
Compensation	—	27
Legal costs	208	427
Other costs	—	—
Total	608	917

Cumulative costs of cases completed in 2025

In respect of statutory legal challenges, appeals, judicial reviews, prosecutions and other legal proceedings not relating to claims by employees or members of the public.

Number of cases	11
	€000
Office's own legal costs	231
Payments by/on behalf of the Office	
Compensation	—
Legal costs	209
Other costs	—
Total	440