

## **Appropriation Account 2023**

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**Vote 31**

**Transport**

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## Introduction

As Accounting Officer for Vote 31, 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 2023 for the salaries and expenses of the Office of the Minister for Transport including certain services administered by that Office, for payment of certain grants and certain other services.

The expenditure outturn is compared with the sums

- granted by Dáil Éireann under the Appropriation Act 2023, including the amount that could be used as appropriations-in-aid of expenditure for the year, and
- provided for capital supply services in 2023 out of unspent 2022 appropriations under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €27.507 million is liable for surrender to the Exchequer.

The statement of accounting policies and principles and notes 1 to 6 form part of the account.

## Statement of accounting policies and principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure, National Development Plan Delivery and Reform in circular 22 of 2023 have been applied in the preparation of the account.

The useful lives and associated amortisation rates of intangible assets have been estimated as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of amortisation</i>
Software licences	Licence term 2-10 years	50%-10%
Acquired and developed software	10 years	10%

## 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. I continue to proactively review and revise systems and structures to support good governance as well as reinforce appropriate behaviours and have also commissioned a review of the Department's financial control framework. An independent external reviewer has been appointed with the review to be complete by quarter 3 2024.

### ***Organisation changes***

Significant organisational changes of note during 2023 included

- An Assistant Secretary for the Irish Coast Guard (IRCG) was appointed, with responsibility for driving and delivering a transformation programme for the Coast Guard, to ensure that the IRCG is best placed to succeed in the 21<sup>st</sup> Century. A new Director for the Irish Coast Guard has also been appointed.
- An Assistant Secretary with responsibility for maritime policy was appointed, to drive and deliver government policy in the maritime sector and ensure that it meets international obligations and domestic needs, including connectivity, safety, sustainability, and climate goals. Offshore renewable energy is an emerging priority for the Department and a new team was established to support the development and implementation of offshore renewable energy ports policy by the Department.
- Significant work was undertaken in 2023 in relation to data and analytics and the development of a new 'Digital Hub', which will centralise our ICT and digital functions with a citizen-centric focus. The Department has seconded expertise from the Central Statistics Office to build our data and analytics function and work closely with the Driver and Vehicle Computer Services Division of the Department and our agencies.

### ***Shared services***

The shared services arrangements are an important aspect of our delivery framework ensuring consistency of approach and enabling our corporate functions to focus on their strategic agenda.

The Accounting Officer for the National Shared Services Office has provided me with a letter outlining the progress made in the development of the audit assurance process. This letter addresses the framework of governance and controls in place and includes the reports of audits conducted into the operation of controls within the shared services environment.

I rely on the 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 employee services management agreement between this Department and the National Shared Services Office for the provision of payroll and human resource shared services.

### ***Financial control environment***

The Department has a mature financial management framework in place enhanced in early 2021 by a financial management system upgrade and in 2021 and 2022 by successful implementation and extension of robotic process automation capability in the accounts processing area. The Finance Division's payments operations system continued to be ISO certified.

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 active Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- Relevant training is provided as necessary.
- 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, and in particular, that

- 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 and
- there are appropriate capital investment control guidelines and formal project management disciplines.

With respect to its management procedures, the Finance Division of the Department has been certified as compliant with the ISO 9001:2015 standard, this international standard, published by the International Standards Organisation (ISO) specifies the requirements for a Quality Management System (QMS). A QMS is a formalised system that documents processes, procedures, and responsibilities for achieving quality policies and objectives.

## **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 services, including the cost of contracted-in staff, amounted to a total of €3,499.4 million in 2023.

The Department has provided details of five non-competitive contracts in excess of €25,000 in the annual return in respect of circular 40/2002 to the Department of Public Expenditure, National Development Plan Delivery and Reform amounting to €1,767,564.

### *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) undertaken without a competitive process, totalling €320,725 (exclusive of VAT) as set out below.

- One contract with a value of €52,743 relating to the cleaning services in the Department's office in Shannon. This contract has been rolled over pending a decision regarding the relocation of the Division.
- One contract with a value of €27,200 relating to the replacement of pagers that were urgently required and had to be compatible with the existing paging system. While a competitive (request for quotes) process was held, the ex-VAT value was in excess of €25,000.
- One contract with a value of €212,974 relating to the service/repair of boats. A request for tenders was sent for publication in quarter 4 2023 and is currently at evaluation stage with a view to contract award during 2024.
- One contract with a value of €27,808 relating to the provision of printing services was procured via request for quotes rather than an open tender process.

During 2023, the Department increased the resourcing of its Procurement Team to support and strengthen its procurement practice. The Procurement Team provide advice and guidance in the conduct of compliant procurement and has engaged with the Office of Government Procurement to hold a competitive process for the provision of a bespoke training programme in 2024.

### ***Internal audit and Audit Committee***

The Department has an internal audit function with appropriately trained personnel, and which operates in accordance with a written charter which I have approved. The work of the internal audit function is informed by analysis of the financial risks to which the Department 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. The internal audit function is reviewed periodically by me and by the Audit Committee.

In August 2023, the Head of Internal Audit retired and additional support was provided to the existing team by the Department's Governance Division. In addition, at that time I commissioned an independent external quality assurance review of the Internal Audit function. I received the report from the independent expert in February 2024 and am committed to implementing the recommendations arising from the review. Guided by the report recommendations, the position of the Head of Internal Audit has been upgraded to Principal Officer level and the capacity of the Internal Audit Unit will be increased. The Department is currently engaging in a recruitment process for the Internal Audit Head role and the additional resources.

I have put procedures in place to ensure that the reports of the internal audit function are followed up on a timely basis and that the audit function and the Committee receive all the support they need from across the Department.

During 2021, an internal audit of arrangements in place for management and monitoring of cyber security in the Driver and Vehicle Computer Services Division (DVCSD) was completed. These recommendations have been addressed and, as a result of the creation of a new Digital Hub incorporating the DVCSD Division, the cyber function has been centralised in a new unit established within the Digital Hub, which is now completing a departmental/enterprise approach across all the Department's systems.

During 2022, the IAU made several key recommendations following the audits listed below.

*Audit of IT arrangements in the Railway Accident Investigation Unit (RAIU).*

The report contains two high level findings. The first of these relates to the service agreement between the Department and their managed IT service provider. IAU has recommended that the service level agreement be reviewed regularly and amended to ensure that it is comprehensive, current, and relevant. The service level agreement has a target completion date of 31 July 2024.

The other finding and recommendation relate to the need to review ICT security configurations and make any necessary adjustments. All necessary actions have been taken and this recommendation is closed.

*Audit of IT arrangements in the Air Accident Investigation Unit (AAIU)*

The report contains three high level findings. IAU has recommended that the AAIU undertake a process review to assess the approach taken in respect of data provided by the Irish Aviation Authority (IAA).

IAU has made some recommendations to improve the security of the AAIU European Co-ordination Centre for Accident and Incident Reporting Systems which can be used by any aviation authority in Europe to record data relating to accidents and incidents.

IAU also recommended improvements in respect of the security of the AAIU shared drive which was hosted on the Department's servers.

All recommendations in this audit are closed.

*Audit of the arrangements in place in the Department of Transport to support effective and compliant procurement.*

This report contains two high level findings. The first of these notes several instances of failure to comply with all procurement requirements and gaps in record keeping. The associated recommendation is that full compliance should be the norm.

The second high level finding and recommendation relates to the need to have comprehensive procurement policies and manuals in place, and the need to support business units with appropriate training and advice.

Work has been completed on a number of the sub recommendations within each of the high findings and the first high finding is now closed. On the second high finding a procurement training partner has been identified via OGP framework and Department is at point of signing a contract. It is expected that the Corporate Procurement plan will be completed by December 2024.

During 2023, the IAU made key recommendations following the audits listed below.

*Review of the arrangements for granting of flight authorisations and granting of exemptions for carriage of munitions of war.*

The report contains one high level finding. The finding relates to the application processes for flight authorisations (scheduled and non-scheduled) and munitions of war exemptions. IAU has recommended that all necessary approvals are in place for each application prior to issuing permits, update standard operating procedures and develop a process for monitoring the expiration of insurance certificates. This recommendation has been implemented.

The other findings and recommendations relate to the management of applications, updating policies and procedures, raising awareness of the application process, the development data classification policies and security classifications.

*Audit of Zero Emission Vehicles Ireland (ZEVI)*

The report contains one high level finding. IAU has recommended that agreements are put in place with the State bodies in charge of managing the ZEVI-funded schemes and the Department is actively engaging with the appropriate agencies.

IAU has also made a recommendation to further enhance compliance with financial procedures, which the Division has now implemented.

***Forensic investigation***

The statement on internal financial control in the 2021 appropriation account referenced the report published in October 2021 by the Comptroller and Auditor General concerning the procurement of vehicles by the Irish Coast Guard. The report included several recommendations, all of which have been accepted by the Department and have been actioned. The Department also secured the services of a third-party independent expert to conduct an additional forensic examination of procurement processes in the Irish Coast Guard and other relevant records over an extended period. The forensic investigation has concluded. The Department has identified next steps, and these are being actively progressed. All relevant Departmental policies have been reviewed and revised in parallel with this process.

***Risk and control framework***

The Department 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. The Department's Risk Management Framework comprises the risk management policy, risk registers recording operational and strategic risks, a risk officer and risk management committee, and alignment of risk to annual business planning.

A risk register is in place which identifies the key risks facing the Department and these have been identified, evaluated, and graded according to their significance. The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. The risk register is reviewed quarterly by management locally, and at the risk management committee. A quarterly update on risk management activities and the risk register are shared with the Department's Audit Committee and the Chair of the Risk Management Committee met with the Audit Committee in 2023. The Risk Register is presented to the Management Board twice a year and the Accounting Officer is informed of all risks once the rating reaches a certain level.

Developments of note in risk management during 2023 included

- enhancement of risk reporting for individual divisions and the Department as a whole
- further development and enhancement of the integration between the Department's statement of strategy/business planning and risk management
- quarterly collation and reporting of 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 Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

***Review of effectiveness***

The 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 control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework on an ongoing basis. All staff have a responsibility to ensure that the best practices are upheld in the stewardship of public monies.

***Internal financial control issues***

No weaknesses in internal financial control were identified in relation to 2023 that resulted in, or may result in, a material loss. There is always room for further development of our approaches to ensure that each line of assurance is working effectively to support the overall financial control environment. In tandem with the enhanced focus during 2023 there is a programme of work identified for 2024 to further develop and ensure that the structures, systems, financial controls, and guiding behaviours are aligned in support of my priority of good governance as Accounting Officer.

**Ken Spratt**

Accounting Officer  
Department of Transport

10 September 2024

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 31 Transport**

##### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 31 Transport for the year ended 31 December 2023 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 31 Transport for the year ended 31 December 2023, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, National Development Plan Delivery and Reform.

##### ***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 Transport 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.

##### ***Forensic investigation***

The statement on internal financial control refers to a forensic investigation of certain procurements. The investigation was commissioned by the Department of Transport following an examination by my Office of the procurement of vehicles for the Irish Coast Guard, which I reported upon in October 2021.

##### ***Appraisal of rail project investments***

Chapter 9 of my report on the accounts of the public services for 2023 examines the application of the capital project appraisal procedures in respect of the MetroLink and Limerick to Foynes rail line projects.

**Seamus McCarthy**

Comptroller and Auditor General

18 September 2024

## Appendix to the report

### 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 National Development Plan Delivery and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure National Development Plan Delivery and Reform
- 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 the Houses of the Oireachtas 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 National Development Plan Delivery and Reform'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.

### 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 31 Transport

### Appropriation Account 2023

		2023		2022
		Estimate provision		Outturn
		€000	€000	€000
				Outturn
				€000
<b>Programme expenditure</b>				
A	Sustainable mobility – active travel and greenways			
	<i>Original</i>	358,665		
	<i>Deferred surrender</i>	19,000		
	<i>Supplementary</i>	50,000		
			427,665	400,888
				352,897
B	Sustainable mobility – carbon reduction and public transport			
	<i>Original</i>	1,607,283		
	<i>Deferred surrender</i>	96,966		
	<i>Supplementary</i>	(7,700)		
			1,696,549	1,602,129
				1,579,777
C	Road networks and road safety			
	<i>Original</i>	1,387,053		
	<i>Deferred surrender</i>	11,340		
	<i>Supplementary</i>	34,235		
			1,432,628	1,402,707
				1,432,141
D	Civil aviation			
	<i>Original</i>	53,443		
	<i>Deferred surrender</i>	4,900		
			58,343	43,990
				59,522
E	Maritime transport and safety			
	<i>Original</i>	109,825		
	<i>Deferred surrender</i>	5,750		
	<i>Supplementary</i>	4,933		
			120,508	114,898
				106,752

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
<b>Gross expenditure</b>				
	<i>Original</i>	3,516,269		
	<i>Deferred surrender</i>	137,956		
	<i>Supplementary</i>	81,468		
			<b>3,735,693</b>	<b>3,531,089</b>
	<i>Deduct</i>			
F	<b>Appropriations-in-aid</b>		<b>22,801</b>	<b>20,846</b>
<b>Net expenditure</b>				
	<i>Original</i>	3,490,814		
	<i>Deferred surrender</i>	137,956		
	<i>Supplementary</i>	81,468		
			<b>3,710,238</b>	<b>3,510,243</b>

### 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 spending in the following year. €140.920 million of unspent allocations in respect of the capital elements of all subheads was carried forward to 2024.

	2023	2022
	€	€
Surplus	168,426,821	174,750,674
Deferred surrender	(140,920,000)	(137,956,000)
<b>Surplus to be surrendered</b>	<b>27,506,821</b>	<b>36,794,674</b>

**Ken Spratt**  
Accounting Officer  
Department of Transport

10 September 2024

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2023

	<u>2023</u>	<u>2022</u>
	€000	€000
Programme cost	3,510,235	3,484,103
Pay	42,387	38,071
Non pay	11,990	8,915
<b>Gross expenditure</b>	<b>3,564,612</b>	<b>3,531,089</b>
<i>Deduct</i>		
<b>Appropriations-in-aid</b>	<b>22,801</b>	<b>20,846</b>
<b>Net expenditure</b>	<b>3,541,811</b>	<b>3,510,243</b>
<b>Changes in capital assets</b>		
<b><i>Property, plant and equipment</i></b>		
<b><i>(note 2.1)</i></b>		
Purchases	(4,860)	
Disposals cash	50	
Profit on disposals	(50)	
Depreciation	1,740	
<b><i>Intangible assets (note 2.2)</i></b>		
Purchases	(866)	
Amortisation	588	
	<u>(3,398)</u>	<u>(1,235)</u>
<b>Changes in net current assets</b>		
Decrease in inventories	352	
Decrease in prepayments	492	
Increase in accrued expenses	1,148	
	<u>1,992</u>	<u>(1,708)</u>
<b>Direct expenditure</b>	<b>3,540,405</b>	<b>3,507,300</b>
<b>Expenditure borne elsewhere</b>		
Net allied services expenditure (note 1.1)	20,235	19,093
Notional rents	3,721	3,721
<b>Net programme cost</b>	<b><u>3,564,361</u></b>	<b><u>3,530,114</u></b>

### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 31 borne elsewhere.

	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Vote 9 Office of the Revenue Commissioners	40	41
Vote 12 Superannuation and Retired Allowances	17,625	16,997
Vote 13 Office of Public Works	1,124	803
Vote 18 National Shared Services Office	64	60
Vote 20 Garda Síochána	135	2
Vote 43 Office of the Government Chief Information Officer	805	748
Central Fund – ministerial pensions	442	442
	<b>20,235</b>	<b>19,093</b>

## Note 2 Statement of Financial Position as at 31 December 2023

	Note	2023 €000	2022 €000
<b>Fixed assets</b>			
Property, plant and equipment	2.1	11,330	8,210
Intangible assets	2.2	1,659	1,381
<b>Total fixed assets</b>		<b>12,989</b>	<b>9,591</b>
<b>Current assets</b>			
Bank and cash	2.3	158,934	145,284
Inventories	2.4	2,309	2,661
Prepayments	2.5	3,817	4,309
Other debit balances	2.6	1,677	5,030
<b>Total current assets</b>		<b>166,737</b>	<b>157,284</b>
<b>Less current liabilities</b>			
Accrued expenses	2.7	5,315	4,167
Other credit balances	2.8	22,137	1,785
Net Exchequer funding	2.9	138,474	148,529
<b>Total current liabilities</b>		<b>165,926</b>	<b>154,481</b>
<b>Net current assets</b>		<b>811</b>	<b>2,803</b>
<b>Net assets</b>		<b>13,800</b>	<b>12,394</b>
<b>Represented by:</b>			
<b>State funding account</b>	2.10	<b>13,800</b>	<b>12,394</b>

**2.1 Property, plant and equipment**

	<b>Buildings</b>	<b>Office equipment and motor vehicles</b>	<b>Specialist equipment</b>	<b>Furniture and fittings</b>	<b>Assets under development</b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Cost or valuation</b>						
At 1 January 2023 <sup>a</sup>	2,014	22,945	24,132	1,046	1,870	52,007
Additions	—	383	62	—	4,415	4,860
Disposals	—	(93)	—	—	—	(93)
Transfers	5,436	—	30	—	(5,466)	—
At 31 December 2023	7,450	23,235	24,224	1,046	819	56,774
<b>Accumulated depreciation</b>						
At 1 January 2023 <sup>a</sup>	—	19,734	23,059	1,004	—	43,797
Depreciation for the year	—	1,200	534	6	—	1,740
Depreciation on disposals	—	(93)	—	—	—	(93)
At 31 December 2023	—	20,841	23,593	1,010	—	45,444
<b>Net assets</b>						
<b>At 31 December 2023</b>	<b>7,450</b>	<b>2,394</b>	<b>631</b>	<b>36</b>	<b>819</b>	<b>11,330</b>
At 31 December 2022	2,014	2,407	1,877	42	1,870	8,210

Note <sup>a</sup> With effect from 1 January 2023, acquired and developed software assets were reclassified as intangible assets (note 2.2).

**2.2 Intangible assets**

	<b>Acquired and developed software</b>	<b>Assets under development</b>	<b>Total</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Gross assets</b>			
At 1 January 2023 <sup>a</sup>	4,586	444	5,030
Additions	475	391	866
Transfers	444	(444)	—
<b>At 31 December 2023</b>	<b>5,505</b>	<b>391</b>	<b>5,896</b>
<b>Accumulated amortisation</b>			
At 1 January 2023 <sup>a</sup>	3,649	—	3,649
Amortisation for the year	588	—	588
<b>At 31 December 2023</b>	<b>4,237</b>	<b>—</b>	<b>4,237</b>
<b>Net assets</b>			
<b>At 31 December 2023</b>	<b>1,268</b>	<b>391</b>	<b>1,659</b>
At 31 December 2022	937	444	1,381

Note <sup>a</sup> With effect from 1 January 2023, acquired and developed software assets were reclassified from property, plant and equipment (note 2.1).

**2.3 Bank and cash**

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
PMG balances	158,868	144,978
Commercial bank account balances	66	306
	<b>158,934</b>	<b>145,284</b>

**Commercial bank accounts**

In addition to the commercial bank account referred to above, the Department holds a bank account to allow for the collection and allocation of motor tax and the transfer of the proceeds to the Exchequer. This is accounted for separately in the Motor Tax Account.

**2.4 Inventories**

at 31 December	2023	2022
	€000	€000
Specialised consumables (Irish Coast Guard)	<u>2,309</u>	<u>2,661</u>

**2.5 Prepayments**

at 31 December	2023	2022
	€000	€000
Software licences and maintenance	3,578	3,376
Rentals	143	130
Other	96	803
	<u>3,817</u>	<u>4,309</u>

**2.6 Other debit balances**

at 31 December	2023	2022
	€000	€000
OPW agency services	701	4,990
Payroll suspense	930	—
Other	46	40
	<u>1,677</u>	<u>5,030</u>

**2.7 Accrued expenses**

at 31 December	2023	2022
	€000	€000
Driver and Vehicle Computer Services Division: operating expenses	1,275	1,011
Search and rescue helicopter services	848	907
Regional airports: rotations	443	573
Professional consultancy fees	482	286
OPW	68	80
National Transport Authority	1,362	417
Other	837	893
	<u>5,315</u>	<u>4,167</u>

**2.8 Other credit balances**

at 31 December	2023	2022
	€000	€000
<b>Amounts due to the State</b>		
Professional services withholding tax	127	92
Value added tax	424	373
Relevant contract tax	6	6
Pension charges	76	29
Extra Exchequer receipts	19,487	—
	<u>20,120</u>	<u>500</u>
Due to agencies	2,006	1,229
Other credit suspense items	11	56
	<u><b>22,137</b></u>	<u><b>1,785</b></u>

**2.9 Net Exchequer funding**

at 31 December	2023	2022
	€000	€000
Surplus to be surrendered	27,507	36,795
Deferred surrender	140,920	137,956
Exchequer grant undrawn	(29,953)	(26,222)
<b>Net Exchequer funding</b>	<u><b>138,474</b></u>	<u><b>148,529</b></u>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	158,934	145,284
Debit balances: suspense	1,677	5,030
	<u>160,611</u>	<u>150,314</u>
<b>Creditors</b>		
Due to the State	(20,120)	(500)
Credit balances: suspense	(2,017)	(1,285)
	<u>(22,137)</u>	<u>(1,785)</u>
	<u><b>138,474</b></u>	<u><b>148,529</b></u>

**2.10 State funding account**

	Note	2023	2022
		€000	€000
Balance at 1 January		12,394	9,925
Disbursements from the Vote			
Estimate provision	Account	3,710,238	
Deferred surrender	Account	(140,920)	
Surplus to be surrendered	Account	<u>(27,507)</u>	
Net vote		3,541,811	3,510,242
Expenditure (cash) borne elsewhere	1.1	20,235	19,093
Non cash item – capital asset adjustment		—	(473)
Non cash expenditure – notional rent	1	3,721	3,721
Net programme cost	1	<u>(3,564,361)</u>	<u>(3,530,114)</u>
<b>Balance at 31 December</b>		<b><u>13,800</u></b>	<b><u>12,394</u></b>

## 2.11 Commitments

a) Global commitments at 31 December	2023 €000	2022 €000
Procurement of goods and services	793,434	128,834
Capital grant programmes	9,372	48,335
<b>Total of legally enforceable commitments</b>	<b>802,806</b>	<b>177,169</b>
<b>Commitments under procurement subheads</b>	<b>2023 €000</b>	<b>2022 €000</b>
Search and rescue helicopter services <sup>a</sup>	766,000	96,000
Airports <sup>b</sup>	8,961	12,964
Vehicle/driving licensing <sup>c</sup>	14,151	15,785
Air Accident Investigation Unit <sup>d</sup>	1,080	751
Information technology <sup>e</sup>	243	920
Sustainable mobility (investment and policy) <sup>f</sup>	550	1,207
Coast Guard services <sup>g</sup>	959	1,182
Climate adaptation, research and energy <sup>h</sup>	1,220	—
Corporate services	181	—
Emergency planning	45	—
Marine survey	44	25
	<b>793,434</b>	<b>128,834</b>

- Note <sup>a</sup> The current search and rescue (SAR) helicopter service contract with CHC Ireland commenced on 1 July 2012 for a period of ten years, to June 2022. An option to extend the contract for up to a further three years was availed of, and the contract was extended to June 2025 to facilitate the procurement of a new service in accordance with *Public Spending Code* requirements and a seamless transition from one service to another. In August 2023, the Department signed a new service contract with Bristow Ireland Limited (BIL). The new SAR contract will run for ten years, with options to extend out to 13 years (2036). The initial 10-year term will cost approximately €670 million (excluding VAT) in nominal terms, inclusive of price increases assumed to be 2% a year, linked to the CPI. Any extensions beyond the initial contract term will be at discretion of the Minister for Transport having regard to a range of strategic, economic, and operational considerations in the years to come.
- <sup>b</sup> Public service obligation (PSO) for air services between Donegal and Dublin.
- <sup>c</sup> New contracts awarded for the supply of motor tax discs, IT support and development.
- <sup>d</sup> Willis Tower Watson insurance premiums commitment.
- <sup>e</sup> Provision of services to support the development, support and maintenance of a new Road Transport Operator Licencing IT (RTOL) system.
- <sup>f</sup> Contract awarded to Ove Arup and Partners Ireland Limited for an all-Island strategic rail review.
- <sup>g</sup> License fee, site rental and a contract for the provision and implementation of a new integrated Incident Coordination and Management System (ICAMS).
- <sup>h</sup> Provision of consulting and research, development and demonstration (RD&D) services.

b) Non-capital grant programmes	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Opening balance	—	—
New grant commitments	367	367
Grants paid in the year	(367)	(367)
<b>Closing balance</b>	<b>—</b>	<b>—</b>

c) Capital grant programmes	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Opening balance	48,335	71,469
New grant commitments	99,600	94,682
Grants paid in the year	(92,402)	(101,925)
Grants cancelled	(46,161)	(15,891)
<b>Closing balance</b>	<b>9,372</b>	<b>48,335</b>

d) Major capital projects					
	<b>Cumulative expenditure to 31 December 2022</b>	<b>Expenditure in 2023</b>	<b>Project commitments in subsequent years</b>	<b>Expected total spend lifetime of project 2023</b>	<b>Expected total spend lifetime of project 2022</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
Limerick to Foynes freight line phase 1	64,000	4,000	37,000	105,000	105,000
	<b>64,000</b>	<b>4,000</b>	<b>37,000</b>	<b>105,000</b>	<b>105,000</b>

Other major capital projects/public private partnerships (PPPs) are funded through bodies under the aegis of the Department.

## 2.12 Matured liabilities

at 31 December	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Estimate of matured liabilities not discharged at year end.	<b>481</b>	<b>3,567</b>

## 2.13 Contingent liabilities

The Department is involved in 12 legal cases. The Department cannot predict the outcome of such cases.

## Note 3 Vote Expenditure

### Analysis of administration expenditure

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

		2023	2022
		Estimate provision €000	Outturn €000
			Outturn €000
i	Salaries, wages and allowances	43,500	38,071
ii	Travel and subsistence	1,219	986
iii	Training, development and incidental expenses	1,592	2,988
iv	Postal and telecommunications services	320	275
v	Office equipment and external IT services	2,135	1,934
vi	Office premises expenses	1,246	1,595
vii	Consultancy services and value for money and policy reviews	1,016	1,137
		<b>51,028</b>	<b>46,986</b>

### Significant variations

The following outlines the reasons for significant variations in expenditure from the amount provided (+/- 25% and €100,000).

#### iii Training and development and incidental expenses

*Estimate provision €1.6 million; outturn €3.9 million*

The increase in expenditure of €2.3 million relative to the original estimate is primarily due to an increase in advertising spend during the year attributable to the active travel campaign - Your Journey Counts (€2.0 million) with the remaining variance attributed primarily to an increase in training due to a higher staff complement (€0.4 million) and legal settlements (€0.1 million).

#### v Office equipment and external IT services

*Estimate provision €2.1 million; outturn €4.0 million*

The increase in expenditure of €1.9 million relative to the original estimate is primarily due to additional digital modernisation and reform related support.

#### vi Office premises expenses

*Estimate provision €1.2 million; outturn €1.8 million*

The increase in expenditure of €0.6 million relative to the original estimate is primarily due to unanticipated gas and electricity cost increases.

#### vii Consultancy services and value for money and policy reviews

*Estimate provision €1.0 million; outturn €0.5 million*

The reduction in expenditure of €0.5 million relative to the original estimate is primarily due to projects being deferred to 2024 due to project reprioritisation and procurement delays.

**Programme A Sustainable mobility – active travel and greenways**

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.1	Administration – pay	868	848	761
A.2	Administration – non pay	147	240	178
A.3	Active travel infrastructure			
	<i>Original</i>	297,650		
	<i>Deferred surrender</i>	2,000		
	<i>Supplementary</i>	50,000		
		349,650	349,818	309,110
A.4	Greenways			
	<i>Original</i>	60,000		
	<i>Deferred surrender</i>	17,000		
		77,000	49,982	42,848
		<b>427,665</b>	<b>400,888</b>	<b>352,897</b>

**Significant variations**

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

**A.3 Active travel infrastructure**

*Estimate provision €299.7 million; outturn €349.8 million*

The increase in expenditure of €50.1 million relative to the original estimate is primarily due to a greater number of National Transport Authority (NTA) infrastructure projects (walking and cycling) progressing to construction/ completion than was originally forecast for the year coupled with construction cost inflation. A re-allocation of €50 million in a technical supplementary from subhead B.5 Public transport to subhead A.3 was approved to meet expenditure on active travel projects.

**A.4 Greenways**

*Estimate provision €77.0 million; outturn €50.0 million*

The reduction in expenditure of €27 million relative to the original estimate is primarily due to

- an underspend by Donegal County Council on the Northwest Greenway (€2.6 million)
- contingency funding provision not required by Louth County Council (€5 million)
- Transport Infrastructure Ireland (TII) project delays in the planning process and land acquisition (€14 million)
- contingency funding to cover potential clawback arising from the withdrawal of the Ulster Canal Greenway project from the INTERREG programme not required (€1.3 million)
- underspend on Greenways monitoring programme, project liaison officer costs and content creation campaign (€4.1 million).

### Programme B Sustainable mobility – carbon reduction and public transport

		2023		2022
		Estimate provision		Outturn
		€000	€000	€000
B.1	Administration – pay		4,785	4,663
B.2	Administration – non pay		838	1,319
B.3	Carbon reduction			
	<i>Original</i>	114,772		
	<i>Deferred surrender</i>	<u>20,560</u>		
			135,332	114,207
B.4	Public service provision payments			81,427
	<i>Original</i>	563,774		
	<i>Deferred surrender</i>	450		
	<i>Supplementary</i>	<u>60,900</u>		
			625,124	607,683
B.5	Public transport investment			619,338
	<i>Estimate provision</i>	876,504		
	<i>Deferred surrender</i>	75,956		
	<i>Supplementary</i>	<u>(68,600)</u>		
			883,860	835,343
B.6	Public transport agencies expenses		46,610	38,906
B.7	Miscellaneous services		—	8
			<u>1,696,549</u>	<u>1,602,129</u>
				<u>1,579,777</u>

#### Significant variations

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

#### B.3 Carbon reduction

*Estimate provision €135.3 million; outturn €114.2 million*

The reduction in expenditure of €21.1 million relative to the original estimate is primarily due to

- procurement and drawdown delays in low emission vehicle (LEV) infrastructure (€10.3 million) and climate research programmes (€2.4 million)
- LEV delivery delays resulting in LEV grants not drawn down (€7.3 million)
- over allocation to SEAI administrative expenses (€0.9 million).

**B.4 Public service provision payments**

*Estimate provision €564.2 million; outturn €607.7 million*

The net overspend in expenditure amounting to €43.5 million relative to the original estimate is primarily due to

- €57.4 million additional funding required to bridge the gap between the gross cost of operating the PSO programme and passenger fare revenues, due to various public transport fare initiatives (Young Adult Card (YAC), 20% average fare reduction and 90-minute fare), the continued migration from cash fares to leap cards, and higher operating costs. A supplementary was approved for this subhead.
- Additional rural transport services required to meet the unpredictable influx of Ukrainian refugees (€3.2 million). A supplementary was approved for this subhead.
- Savings in Rural Transport Programme (RTP) as a result of tendering process delays in the NTA IT Management System (ITMS) and EU Transition Fund project implementation plans not being approved by the European Commission (€1.0 million).
- Savings due to the delays in the Irish Rail planned heavy rail maintenance projects as a result of delays in planned improvement works (€2.8 million).
- Savings in new PSO routes and route variations due to the delayed BusConnects phases as a result of bus driver shortages and recruitment challenges (€13 million).
- Savings due to delays in the rollout of Connecting Ireland and new town services (€0.4 million).

**B.5 Public transport investment**

*Estimate provision €952.5 million; outturn €835.3 million.*

The reduction in expenditure of €117.2 million relative to the original estimate is primarily due to

- An underspend in heavy rail safety and development and public transport infrastructure due to planning and procurement delays including
  - railway station redevelopments, Galway Ceannt and Limerick Colbert (€10 million)
  - delays in awarding signaling contract as part of Cork Area Commuter Rail (€18 million)
  - new Greater Dublin Area (GDA) Railway Station Programme, which includes projects such as construction of Woodbrook station and work to open Kishoge station New GDA Railway Station (€5 million)
  - Limerick Rail Upgrade Programme, which includes planning and construction of Moyross station and twin tracking from Limerick-to-Limerick junction (€1 million)
  - €2.5m on the Connolly valeting plant upgrades and depot refurbishment project
  - NTA office move delayed until 2024 (€11 million)
  - BusConnects depot programme, including the BusConnects Dublin depot electrification programme (€10 million)
  - Core Bus Corridor construction postponed until 2024 (€13 million)
  - Various country wide park and ride programmes (€6 million).

- An underspend in public transport investment due to fleet delivery delays including
  - purchase of 41 new Inter-City railcars (€3.7 million)
  - BusConnects (€6 million) and BusConnects Urban fleet (€26 million)
  - Regional commuter fleet renewals and non-city urban buses (€25 million)
  - Hydrogen buses (€1 million)
- An overspend of €15 million due to a second milestone payment for the Dart+ programme.

#### **B.6 Public transport agencies expenses**

*Estimate provision €46.6 million; outturn €38.9 million*

The difference in expenditure of €7.7 million relative to the original estimate is primarily due to

- NTA payroll savings due to a revised recruitment plan, ongoing staff turnover and backfilling of staff at lower entry scales (€3.1 million)
- savings on legal and professional fees and activities, and savings in licencing support costs due to delays in on-boarding call centre and back-office staff (€4.6 million).

**Programme C Road networks and road safety**

		2023		2022
		Estimate provision		Outturn
		€000	€000	€000
C.1	Administration – pay		13,485	13,140
C.2	Administration – non pay		2,362	3,717
C.3	National roads investment			
	<i>Original</i>	678,168		
	<i>Deferred surrender</i>	<u>9,000</u>		
			687,168	660,045
C.4	Regional and local roads investment			728,901
	<i>Original</i>	625,916		
	<i>Supplementary</i>	<u>18,600</u>		
			644,516	641,049
C.5	Transport Infrastructure Ireland operational costs		35,440	34,593
C.6	Road safety agencies and expenses		8,282	7,652
C.7	Vehicle and driver licensing expenses			
	<i>Original</i>	23,400		
	<i>Deferred surrender</i>	2,340		
	<i>Supplementary</i>	<u>15,635</u>		
			41,375	42,511
			<u>1,432,628</u>	<u>1,402,707</u>
				<u>40,839</u>
				<u>1,432,141</u>

**Significant variations**

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

**C.6 Road safety agencies and expenses**

*Estimate provision €8.3 million; outturn €7.7 million*

The reduction in expenditure of €0.6 million relative to the original estimate is due to lower than forecast spending in the Medical Bureau of Road Safety due to

- payroll savings due to staff retention challenges and unfilled vacancies (€0.3 million)
- savings in consumable stocks due to sufficient levels of 2022 carryover stocks (€0.2 million)
- repair savings in replacement instruments still under warranty (€0.1 million).

**C.7 Vehicle and driver licensing expenses**

*Estimate provision €25.7 million; outturn €42.5 million*

The net increase in expenditure of €16.8 million relative to the original estimate is primarily due to

- an overspend of €2 million due to increased administration cost such as increase bank charges, postage and stationery cost
- payments made to licensed road haulage operators under the Licensed Haulage Support Scheme of €15.6 million
- savings of €0.9 million between profiled and actual expenditure on the Road Transport Operator Licensing online system as a result of milestones not being met due to development complexities.

A supplementary of €15.6 million was approved for this subhead for the Licensed Haulage Support Scheme. As the scheme was introduced after the estimates process had been completed, it was not included in the profile.

**Programme D Civil aviation**

		<b>2023</b>		<b>2022</b>
		<b>Estimate provision</b>	<b>Outturn</b>	<b>Outturn</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
D.1	Administration – pay	4,786	4,663	4,188
D.2	Administration – non pay	838	1,319	981
D.3	Regional airports			
	<i>Original</i>	27,648		
	<i>Deferred surrender</i>	4,900		
		32,548	20,121	22,552
D.4	Miscellaneous services	11,171	10,502	9,593
D.5	Aviation Covid supports	9,000	7,385	22,208
		<b>58,343</b>	<b>43,990</b>	<b>59,522</b>

**Significant variations**

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

**D.3 Regional airports**

*Estimate provision €32.5 million; outturn €20.1 million*

The reduction in expenditure of €12.4 million relative to the original estimate is primarily due to

- estimated expenditure not incurred on the Cork Airport Cat 3 security screening project, awaiting assessment in accordance with the *Public Spending Code* (€6.0 million)
- regional airports programmes not fully completed in 2023, mainly due to case design delays, as well as supply chain difficulties impacting delivery timelines (€2.4 million)
- the Shannon Heritage business operation together with the heritage sites in County Clare being transferred to Clare County Council in May 2023 (€4.0 million).

**D.4 Miscellaneous services**

*Estimate provision €11.2 million; outturn €10.5 million*

The reduction in expenditure of €0.7 million relative to the original estimate is primarily due to lower than estimated reimbursements to the Irish Navigation Services (AirNav Ireland) for the cost of aeronautical communication and air navigation services provided.

**D.5 Aviation Covid supports**

*Estimate provision €9.0 million; outturn €7.4 million*

The reduction in expenditure of €1.6 million relative to the original estimate is primarily due to

- fewer than expected insolvency claims by the licensed trade sector under the Travel Agents and Tour Operators Scheme (€0.8 million)
- savings due to the level of actual operational costs supported at Shannon Airport being limited to the same level of operational supports provided to other regional airports, ensuring proportionality of funding, as required under the Regional Airports Programme (€0.8 million).

**Programme E Maritime transport and safety**

		2023		2022
		Estimate provision	Outturn	Outturn
		€000	€000	€000
E.1	Administration – pay	19,576	19,074	17,132
E.2	Administration – non pay	3,343	5,396	4,012
E.3	Irish Coast Guard (IRCG)			
	<i>Original</i>	78,755		
	<i>Deferred surrender</i>	5,600		
	<i>Supplementary</i>	4,933		
		89,288	82,412	78,494
E.4	Commissioner of Irish Lights			
	<i>Estimate provision</i>	6,268		
	<i>Deferred surrender</i>	150		
		6,418	6,360	6,122
E.5	Marine Casualty Investigation	732	435	335
E.6	Marine Survey Office and maritime transport	61	40	31
E.7	Miscellaneous services	1,090	1,181	626
		<b>120,508</b>	<b>114,898</b>	<b>106,752</b>

**Significant variations**

The following outlines the reasons for significant variations in non-administration programme expenditure (+/-5% and €100,000).

**E.5 Marine Casualty Investigation**

*Estimate provision €732,000 outturn €435,000*

The reduction in expenditure of €297,000 results from costs not incurred due to a delay in legislation providing for the establishment of a new Marine Accident Investigation Unit (MAIU).

## Note 4 Receipts

### 4.1 Appropriations-in-aid

	2023		2022
	Estimated €000	Realised €000	Realised €000
<b>Administration</b>			
1 Receipts from additional superannuation contributions on public service remuneration	3,827	3,108	2,578
<b>Civil aviation</b>			
2 Irish Aviation Authority refund of subscriptions to international organisations	8,074	8,196	7,157
3 Irish Aviation Authority recoupment of rents, etc.	394	400	394
4 AirNav Ireland (formally Irish Aviation Authority) payment for associated costs	2,800	3,312	2,985
<b>Land transport</b>			
5 Road transport licence fees	1,000	1,032	1,396
6 Miscellaneous land transport receipts	8,185	5,779	5,335
<b>Maritime transport and safety</b>			
7 Receipts under the Merchant Shipping and Wireless Telegraphy Act 1919	525	477	447
<b>Miscellaneous receipts</b>			
8 Miscellaneous receipts	650	497	554
<b>Total</b>	<b>25,455</b>	<b>22,801</b>	<b>20,846</b>

#### Significant variations

The following outlines the reasons for significant variations in individual appropriations-in-aid headings (+/-5% and €100,000).

#### 1 Receipts from additional superannuation contributions on public service remuneration

*Estimate €3.8 million; realised €3.1 million*

The 2023 estimate was based on the Department reaching a certain level of recruitment and increasing its staffing complement by the end of the year. The shortfall of €700,000 was due to the Department's external recruitment for both general and technical grades being lower than anticipated.

#### 4 AirNav Ireland (formerly Irish Aviation Authority) payment for associated costs

*Estimate €2.8 million; realised €3.3 million*

The current year's estimate was based on the previous year's associated costs, but an increase in subscription and staff costs in the current year resulted in an additional recovery from AirNav in 2023.

**6 Miscellaneous land transport receipts**

*Estimate €8.2 million; realised €5.8 million*

The Department's expenditure on projects under the INTERREG programme has not been as high as expected for various reasons, including delays to the delivery of cross-border Greenway projects due to factors such as planning and land acquisition issues, as well as slower-than-expected delivery of electric vehicle charging infrastructure under the FASTER Programme. As such, the subsequent reimbursement of funding from the EU has in turn been lower than forecasted.

**8 Miscellaneous receipts**

*Estimate €650,000; realised €497,000*

Lower than estimated miscellaneous actual receipts from the European Regional Development Fund (ERDF).

**4.2 Extra receipts payable to the Exchequer**

	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Balance at 1 January	16	36
Shannon Development rents <sup>a</sup>	16	10
Road Safety Authority pension contributions and notional service <sup>b</sup>	468	499
Ten-T upgrade	3,446	1,006
National Oil Reserve Agency <sup>c</sup>	—	7,878
NTA unspent grant refunded <sup>d</sup>	16,716	—
Voluntary surrender of pay	16	16
National Access Point Coordination Organisation for Europe (NAPCORE) <sup>e</sup>	—	33
Transfer of service	—	244
Sale of vehicle <sup>f</sup>	—	40
Climate Innovation and Networks Executive Agency (CINEA) <sup>g</sup>	2,187	—
Transferred to the Exchequer	<u>(3,378)</u>	<u>(9,746)</u>
<b>Balance at 31 December</b>	<b><u>19,487</u></b>	<b><u>16</u></b>

- Note
- <sup>a</sup> Rents collected by the Shannon Airport Authority (SAA) on behalf of the Minister.
  - <sup>b</sup> The Department acts as the intermediary in making the annual pay-over of the pension contributions deducted from RSA staff. These pay-overs are made to the Department of Public Expenditure, National Development Plan Delivery and Reform.
  - <sup>c</sup> Under the biofuel obligation, suppliers of certain fuels to the road transport market are required to include a certain proportion of biofuels as part of their fuel mix. A buy-out charge however allows obligated parties under the scheme to discharge part or their entire biofuel obligation through the payment of a buy-out charge. This was set at €0.45 per litre in 2021 under SI 644/2010 National Oil Reserves Agency Act 2007 (Biofuel Obligation Buy-out Charge) Regulations 2010.
  - <sup>d</sup> Savings on Public Service Obligations due to lower than forecasted draw down requirement by service providers.
  - <sup>e</sup> Pre-financing from NAPCORE, a newly formed organisation to coordinate and harmonise more than 30 mobility data platforms all over Europe.
  - <sup>f</sup> Auction proceeds received on behalf of Kerry Airport.
  - <sup>g</sup> Final payment for the City Centre re-signalling project.

## Note 5 Staffing and Remuneration

### 5.1 Employee numbers

Full time equivalents at year end	2023	2022
Department	635	579
Agencies <sup>a</sup>	1,224	1,018
	<u>1,859</u>	<u>1,597</u>

Note <sup>a</sup> Includes staffing of the following agencies: Commission for Aviation Regulation; Marine Casualty Investigation Board; Commission for Railway Regulation; National Transport Agency; Transport Infrastructure Ireland; Medical Bureau of Road Safety and Road Safety Authority.

### 5.2 Pay – Department and agencies

Remuneration of Department staff	2023	2022
	€000	€000
Pay	36,601	33,035
Higher, special or additional duties allowances	840	877
Overtime	464	449
Other allowances	1,027	753
Employer's PRSI	3,455	2,957
<b>Total pay <sup>a</sup></b>	<u><b>42,387</b></u>	<u><b>38,071</b></u>

Note <sup>a</sup> The total pay figure is distributed across subheads A.1, B.1, C.1, D.1 and E.1.

#### Remuneration of agency staff

Pay	81,186	67,569
Higher, special, or additional duties allowances	689	799
Overtime	986	457
Other allowances	811	646
Employer's PRSI	7,900	6,189
<b>Total pay <sup>a</sup></b>	<u><b>91,572</b></u>	<u><b>75,660</b></u>

Note <sup>a</sup> The total pay figure is distributed across subheads A.1, B.1, C.1, D.1 and E.1.

### 5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2023	2022
			€	€
<b>Department staff <sup>a</sup></b>				
Higher, special or additional duties allowances	147	19	44,624	35,505
Overtime	118	19	39,232	27,141
Other allowances	71	37	18,760	31,050
Extra remuneration in more than one category	72	52	61,149	52,013
Note <sup>a</sup>	The details above relate to the Department's staff paid directly from the Vote under programmes A to E.			
<b>Staff of agencies</b>				
Higher, special or additional duties allowances	9	1	15,463	13,356
Overtime	3	6	27,391	16,807
Other allowances	41	2	16,000	13,356
Extra remuneration in more than one category	6	—	—	21,871

### 5.4 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 €3,408. The payments made were consistent with the principles of the Public Service (Single Scheme and other Provisions) Act 2012. This account includes expenditure of €370,927 in respect of five officers who were serving outside the Department for all or part of 2023 and whose salaries were paid by the Department.

This account does not include expenditure in respect of four seconded officers who were serving outside the Department for all or part of 2023 whose salaries were paid by other Government departments/offices.

### 5.5 Department staffing by pay band

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	2023	2022
20,000	59,999	328	355
60,000	69,999	58	55
70,000	79,999	63	47
80,000	89,999	53	38
90,000	99,999	45	47
100,000	109,999	20	23
110,000	119,999	24	16
120,000	129,999	10	3
130,000	139,999	3	1
140,000	149,999	—	4
150,000	159,999	6	—
160,000	169,999	—	—
170,000	179,999	—	—
180,000	189,999	—	—
190,000	199,999	—	—
200,000	209,999	—	—
210,000	219,999	—	1
220,000	229,999	1	—

### 5.6 Payroll overpayments

at 31 December	Number of recipients	2023 €	2022 €
Overpayments	42	153,807	138,747
Recovery plans in place	15	64,174	78,116

Note <sup>a</sup> No overpayment recovery plans were transferred to other departments in the year.

### 5.7 Severance/redundancy

During 2023, no redundancy or severance payments were made.

### 5.8 Remuneration and benefits of Accounting Officer

The Accounting Officer's remuneration and taxable benefits for the financial year was as follows.

	<b>2023</b>	<b>2022</b>
	<b>€000</b>	<b>€000</b>
Basic pay	<u>227</u>	<u>213</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 terms of that pension scheme.

## Note 6 Miscellaneous

### 6.1 Committees, commissions and special inquiries

A Review Board was established in 2020 to re-examine certain findings of the draft final report of the investigation into the accident involving Rescue 116 at Blacksod, Co Mayo on 14 March 2017. The Review Board was established in line with Statutory Instrument (SI) No 460 of 2009: Air Navigation (Notification and Investigation of Accidents, Serious Incidents and Incidents) Regulations 2009.

The Review Board report was published on 5 November 2021 and the final report can be found at [Final Report.pdf \(aaiu.ie\)](#)

<b>Fixed purpose commission</b>	<b>Year of appointment</b>	<b>Cumulative expenditure to end of 2023<sup>a</sup></b>	<b>2023</b>	<b>2022</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>
Review Board	2020	1,502	—	1,136

Note <sup>a</sup> Total expenditure (2023: €nil; 2022: €1,136,000; 2021: €266,000; 2020: €100,000).

## 6.2 Compensation and legal cost

### Payments/costs paid by the Department in the year

	Claims by			Total	Total
	employees	members of the public		2023	2022
	Personal injuries	Loss or damage	Personal injuries		
Number of cases	3	9	—	12	13
	€000	€000	€000	€000	€000
Department's own legal costs	—	—	—	—	66
Payments by/on behalf of Department					
Compensation	—	—	—	—	228
Legal costs	200	122	—	322	1,471
Other costs	2	9	—	11	54
<b>2023 Total</b>	<b>202</b>	<b>131</b>	<b>—</b>	<b>333</b>	<b>1,819</b>
<b>2022 Total</b>	<b>38</b>	<b>1,507</b>	<b>274</b>	<b>1,819</b>	

### Cumulative costs of cases completed in 2023

	Claims by		Total
	employees	members of the public	
	€000	€000	€000
Number of cases	1	4	5
Department's own legal costs			
Payments to/on behalf of Department			
Compensation	120	7	127
Legal costs	175	1	176
Other costs	1	—	1
<b>Total</b>	<b>296</b>	<b>8</b>	<b>304</b>

## 6.3 Late payment interest

No interest payments were made in terms of the European Communities (Late Payment in Commercial Transactions) Regulation 2012.

## 6.4 Fraud and suspected fraud

No fraud was detected during the period under review.

### 6.5 EU funding

The outturn shown in A.3 Active travel infrastructure includes payment in respect of activities which are co-financed from the European Regional Development Fund (ERDF). The Department received €674,000 in funding and paid claims totalling €3,940,000.

<b>Subhead description</b>	<b>2023 Estimate €000</b>	<b>2023 Outturn €000</b>	<b>2022 Outturn €000</b>
A.3 Active travel infrastructure	3,940	3,940	—

### 6.6 Deferred surrender

Deferred surrender comprises savings in 2023 of €140.9 million in capital expenditures in the following subheads that were carried over to 2024.

	<b>€000</b>
A.4 Greenways	30,000
B.3 Carbon reduction	18,350
B.4 Public service provision payments	825
B.5 Public transport investment	45,500
C.3 National roads investment	31,000
C.7 Vehicle and driver licencing expenses	1,000
D.3 Regional airports	8,245
E.3 Maritime administration and Irish Coast Guard (IRCG)	6,000
	<b>140,920</b>