

Eoin Seery

From: Secretary General <secgen@health.gov.ie>
Sent: Tuesday 14 December 2021 17:07
To: Public Accounts Committee
Subject: Committee of Public Accounts Meeting on Thursday 16th December
Attachments: 20211213_DOH Subhead Brief for PAC Members on 2020 Appropriation Account (1).docx

Dear Members,

Please find attached briefing ahead of my appearance at the Committee on Thursday.

In relation to the Committee's requests for up-dates in relation to the New Children's Hospital and the VFM Review into Long Term Nursing Home Costs of 6th December last, as previously stated, the analysis undertaken by the National Paediatric Hospital Development Board (NPHDB) on the New Children's Hospital relates to the best way forward on a project that is subject to a live contract, and as such, continues to be commercially sensitive. I would like to reiterate that this analysis was not in relation to progress on the National Paediatric Hospital to date- it was not a retrospective review. Rather it related to the forecasting of critical paths/ scenarios for the optimal completion of the project.

The Department responded to the Committee, on 2nd June 2021, 28th August 2021 and 18th November 2021, highlighting that the Department and the Development Board have a responsibility to ensure the successful completion of this critical project and discussion of costs by officials, however hypothetical or otherwise at this time, may prejudice enforcement of the existing contract, and very likely negatively impact or jeopardise the Development Board in its ongoing engagement with the main contractor, and the Board's responsibilities for the timely completion of this critical project.

At its meeting with the Committee on 13 July 2021, the NPHDB provided updated timelines for the completion of the project, based on the compliant programme submitted by the contractor, wherein the hospital could be opened, after a period of operational commissioning, in the second half of 2024. The NPHDB also advised that a definitive update on costs could not be provided.

The discussion of future scenarios and the potential cost implications for same are very different to the financial information previously provided to the Committee which related to the approved budgets for the Children's Hospital project and actual costs incurred. The approved budget for the capital project remains at €1.433bn and this has not been depleted. By the end of this year, it is expected that approximately €873m of the €1.433bn capital budget will have been drawn down.

As with any capital project, there are residual risks, for which there cannot be cost certainty, including construction inflation, claims, changes in scope/design and certain uncontrollable risks, such as any changes to building regulations, sectoral employment orders and costs relating to BREXIT, the pandemic and global supply chain

pressures. The NPHDB and its contractors continue to address and mitigate these risks and externalities to the largest extent possible, and the NPHDB has provided and continues to provide additional financial information to the Committee as requested.

Information on any potential future costs relating to the live contract the NPHDB is enforcing, and which would be outside of the approved budget, would be commercially sensitive and would have to remain confidential.

In relation to the Value for Money review, it is noted that reviews of this type often take a substantial amount of time to complete owing to the complexity of the subject matter and the need to take account of the input from all stakeholders. Specifically, the VFM review team encountered delays associated with difficulties in obtaining private sector data required to undertake a meaningful comparison between private and public nursing homes. Further delays occurred when the Review was paused in order to focus all resources on the response to Covid.

The final sign off of the report in 2021 was affected to some extent by the cyber-attack but has also required the Department to ensure that the responses to its recommendations were aligned with other workstreams and report implementation structures, such as the review of the pricing model for nursing homes, the COVID-19 Nursing Homes Expert Panel, the Safe Staffing framework and interRAI roll out and more.

I am happy to report that the Government approved the Report this Tuesday and the Report and the Department's response to the findings and recommendations will be published imminently.

Robert

Robert Watt
Secretary General

An Roinn Sláinte
Department of Health

Department of Health Appropriation Account 2020

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Department of Health Appropriation Account 2020

Appropriation Account 2020 for Vote 38: Department of Health

Admin Budget Subheads: A1, A2, A3, A4, A5, A6 & A7

	Estimate Provision	Outturn	Less/(More) than provided
	€000	€000	€000
A1 – Salaries, Wages & Allowances	36,250	36,117	133
A2 – Travel and Subsistence	275	194	81
A3 – Training, development & incidental expenses	2,204	2,649	(445)
A4 – Postal & Telecommunications Services	230	158	72
A5- Office equipment & external IT services	2,573	1,850	723
A6- Office Premises Expenses	972	624	348
A7 – Consultancy Services & VFM & policy reviews	1,000	456	544
Total	43,504	42,048	1,456

Subhead: A1 Salaries, Wages and Allowances [incl. Note 5]

	€,000
Estimate Provision	36,250
Outturn	36,117
Less than provided	133

This subhead provides for the salaries, wages and allowances of staff working in the Department.

Information from Note 5 to Appropriation Account	€,000	Number of recipients	Recipients of €10,000 or more	Max. individual payment €
Higher, special or additional duties	257	23	12	22,029
Other Allowances (Child, machine etc.)	11	8	0	1,878
Overtime	255	76	9	23,399
Total extra remuneration	523			

Department of Health Appropriation Account 2020

Overall four individuals received extra remuneration in more than one category across all allowances.

Extra Remuneration: Higher, Special or Additional Duties

Category	Amount paid in year	Number of recipients
	€000	
Allowance for Private Secretary to Minister, Minister of State and Secretary General	142	12
Higher Duties	57	11
Additional duties other	58	8
Total	257	31

Subhead: A2 Travel and Subsistence

	€, 000
Estimate Provision	275
Outturn	194
Less than provided	81

The analysis of expenditure is as follows:

Analysis of expenditure	€, 000
Home Travel	101
EU Travel	63
Non-EU Travel	30
Total	194

The purpose of a meeting or conference attended abroad determines whether expenditure is classified as EU or Non-EU. Foreign travel for the purposes of a meeting not related to the work of any of the institutions of the European Union is classified as Non-EU regardless of what country the meeting is taking place.

Department of Health Appropriation Account 2020**Subhead: A3 Training and Development and Incidental Expenses**

	€,000
Estimate Provision	2,204
Outturn	2,649
More than provided	(445)

Analysis of expenditure	€,000
Press Office: Cuttings, Photos, Transcripts, etc.	901
Contract Cleaning	462
In-House Catering	459
Training Courses	187
Refund of Fees for Courses	109
Miscellaneous	105
PeoplePoint Service Charge	92
Courier Services	63
Security services	62
Publications	53
Rent and Furniture	42
Translations	36
Annual Memberships	29
Canteen Supplies	19
Entertainment: State and Official	15
Seminars & Conference Fees	15
Total	2,649

Department of Health Appropriation Account 2020

Subhead: A4 Postal and Telecommunications Services

	€,000
Estimate Provision	230
Outturn	158
Less than provided	72

The analysis of expenditure is as follows:

Analysis of expenditure	€,000
Telephone Charges	131
Postal Charges	27
Total	158

Subhead: A5 Office Equipment and External IT Services

	€,000
Estimate Provision	2,573
Outturn	1,850
Less than provided	723

Reason for variance per Appropriation Account:

“The underspend of €723,000 on expenditure on office equipment and IT services was due to some licence costs not arising until 2021 (€296,000) with the remaining underspend due to delays in implementing some projects because of the reallocation of resources due to COVID 19.”

The analysis of expenditure is as follows:

Analysis of expenditure	€,000
ICT	1,602
Printing and Stationery Supplies	206
Photocopying & other office machinery	42
Total	1,850

Department of Health Appropriation Account 2020**Subhead: A6 Office Premises Expenses**

	€,000
Estimate Provision	972
Outturn	624
Less than provided	348

Reason for variance per Appropriation Account:

“The underspend of €348,000 on expenditure on office premises expenses was due to accommodation costs being less than anticipated because of staff working from home for most of 2020.”

The analysis of expenditure is as follows:

Analysis of Expenditure	€,000
Furniture & Fittings	75
Corporate Accommodation	235
Maintenance	-14
Electricity	253
Gas	41
Records Management Costs	34
Total	624

Department of Health Appropriation Account 2020

Subhead: A7 Consultancy Services and Value for Money and Policy Reviews

	€,000
Estimate Provision	1,000
Outturn	456
Less than provided	544

Reason for variance per Appropriation Account:

“The underspend of €544,000 on expenditure on consultancy services was due to the delay in approving projects for funding because of the reallocation of resources due to COVID 19.”

The analysis of expenditure is as follows:

Payee	Amount	Description
	€,000	
Deloitte Ireland LLP	179	Organisation Design and Review; Actuarial Services for the Private Health Insurance unit
Mazars Consulting	78	Risk Management Services; Review of Adult Safeguarding for the Older Persons Service Oversight and Planning Unit
Crowe Ireland/Howarth	86	Home Support Services for the Older Persons Service Oversight and Planning Unit; Open Disclosure Policy for National Patient Safety Office (CMO)
MCCP Consultancy	38	Communication Strategy for the Secretary General’s Office
Eithne Fitzgerald	31	Disability Policy Analysis
Hume Brophy	25	Consultancy services for the Medicines, Controlled Drugs and Pharmacy legislation Unit
Other consultancies of less than 15k	19	3 sundry consultancies
Total	456	

Department of Health Appropriation Account 2020**Subhead: B1 Grants to Research Bodies and other research grants**

	€,000
Estimate Provision	42,150
Outturn	40,756
Less than provided	1,394

Analysis of expenditure	€,000
Health Research Board	36,805
National Cancer Registry	3,293
Miscellaneous	658
Total	40,756

Subhead: B2 Healthy Ireland Fund

	€,000
Estimate Provision	6,000
Outturn	6,609
More than provided	(609)

Analysis of expenditure	€,000
Payments to POBAL	4,165
PHD Media (Ireland) Ltd	1,258
Sport Ireland	655
Cawley NEA /TBWA	210
HSE South West	189
HSE Shared Services Northern	99
Quest Merchandise	8
Twitter	5
Dominic Campbell	5
CIPD Ireland	5
Facebook	2
Healy Communications	2
Sundry Suppliers (8) expenditure less than 2k	6
Total	6,609

Department of Health Appropriation Account 2020

Reason for variance per Appropriation Account:

“The overspend of €609,000 was due to an increase in communications costs to support a public health campaign on living with Covid-19 and the reallocation of €250,000 of dormant account funding to the Healthy Ireland Fund.”

Department of Health Appropriation Account 2020

Subhead: B3 Drugs Initiative

	€,000
Estimate Provision	7,487
Outturn	6,729
Less than provided	758

Reason for variance per Appropriation Account:

“The underspend of €758,000 was due to a number of planned research initiatives being unable to proceed due to Covid-19 restrictions.”

The analysis of expenditure is as follows:

Analysis of expenditure	€,000
Local Drugs Taskforce Funding	3,633
Regional Drugs Taskforce Funding	1,569
Drugs Strategy Miscellaneous	1,154
Emerging Drugs Needs Funding	359
Incidental Expenses	14
TOTAL	6,729

Subhead: C Expenses in connection with the World Health Organisation and other international bodies

	€,000
Estimate Provision	2,700
Outturn	1,968
More than provided	732

Reason for variance per Appropriation Account:

“The underspend of €732,000 was mainly due to the 2020 membership of an agency not being paid until February 2021 (€612,000).”

Department of Health Appropriation Account 2020

***Subhead: D Statutory and Non-Statutory Inquiries and
Miscellaneous Legal Fees and Settlements***

	€,000
Estimate Provision	13,200
Outturn	9,363
More than provided	3,837

Reason for variance per Appropriation Account:

“The underspend of €3.837 million was mainly due to delays in court hearings as a result of Covid-19.”

The analysis of expenditure is as follows:

Sub Category	Compensation	Dept. Legal Costs	Legal Costs Awarded	Services for Older People	Other	Grand Total
	€,000	€,000	€,000	€,000	€,000	€,000
Bioethics			41			41
Cervical Check Steering Committee	575				2,477	3,052
Farrelly Commission					1,376	1,376
MDU Refusal		1,649	2,300			3,949
Miscellaneous				18	94	112
National HR		53				53
Thalidomide		117				117
Other					663	663
Grand Total	575	1,819	2,341	18	4,610	9,363

Department of Health Appropriation Account 2020

Subhead: E1 Developmental, Consultative, Supervisory, Regulatory and Advisory bodies

	€,000
Estimate Provision	
<i>Original Estimate 80,481</i>	
<i>Supplementary 14,320</i>	94,801
Outturn	91,862
Less than provided	2,939

Reason for variance per Appropriation Account:

“Overall, expenditure in this area was €2.939 million less than provided in the estimate. The department advances funds to health agencies up to an approved level of expenditure or actual expenditure whichever is the lesser amount.

The following agencies actual expenditure was lower than originally allocated as follows:

- ***Mental Health Commission - €1.032m less than allocation***
- ***Health and Social Care Professionals Council - €0.823 less than allocation***
- ***Health Products and Regulatory Authority - €0.225m less than allocation***
- ***Pre-Hospital Emergency Care Council - €0.190m less than allocation***

The main items of underspend were:

- ***€5 million provided for the introduction of a Statutory Scheme for a package of supports for Thalidomide survivors. No funding was drawn as the legislation has yet to be enacted.***
- ***Patient Safety Office - complaints and advocacy policy underspend €0.8m***
- ***€1.5m provided for the National Screening Advisory Committee not drawn down***

The analysis of expenditure is as follows:

Department of Health Appropriation Account 2020

Analysis of Expenditure	€,000
Health Information & Quality Authority	17,269
Food Safety Authority of Ireland	17,172
COVID-19 Vaccine (European Commission)	14,012
Mental Health Commission	13,800
COVID-19 Stability Fund (POBAL)	10,000
Health Products Regulatory Authority	4,975
Health and Social Care Professionals (CORU)	3,250
Pre-Hospital Emergency Care Council	3,097
Health Research Board	1,550
Institute of Public Health in Ireland	1,427
COVID-19 Services	1,204
National Advocacy Services	895
Pharmaceutical Society of Ireland	600
Irish Blood Transfusion Services	965
Expert Body on Fluorides & Health	315
IHSI Membership	228
Research Services	196
Intl Society for Quality and Health Care	193
Other Bodies	164
HSE - CPL	148
Medical Council	140
HSE-South East	120
Air Ambulance	86
Public Health England	56
Total	91,862

Department of Health Appropriation Account 2020

Subhead: E2 Food Safety Promotion Board

	€,000
Estimate Provision	5,691
Outturn	5,341
Less than provided	350

Reason for variance per Appropriation Account:

“The shortfall in expenditure of €350,000 relative to the estimate provision was because funding is subject to appropriate matched funding being provided by the Department of Health Northern Ireland (DOHNI). It was not possible for DOHNI to confirm the last part of this matched funding before the end of the year, so the remaining funding was held back.”

Subhead: E3 National Treatment Purchase Fund

	€,000
Estimate Provision	100,022
Outturn	80,000
Less than provided	20,022

Reason for variance per Appropriation Account:

“The expenditure was €20.022m less than provided in the estimates. A Private Hospital Agreement was put in place for 3 months during 2020 to secure sufficient additional capacity to support the public hospital system in meeting the challenge of Covid-19. This resulted in a decrease in availability of private hospital capacity that the National Treatment Purchase Fund could utilise for three months in 2020.”

Department of Health Appropriation Account 2020**Subhead: E4 Ireland/Northern Ireland INTERREG Programme**

	€,000
Estimate Provision	3,200
Outturn	3,013
Less than provided	187

Reason for variance per Appropriation Account:

“The decrease in expenditure of €0.187 million relative to the estimate provision was because payments under this subhead are requested by the Special EU Programmes Body based on actual payments made to projects under this scheme. The nature of the INTERREG programme is such that the timing of project funding requests may be unpredictable particularly if there are queries to be resolved in the verification process.”

The Department is a joint Implementing Authority with the Department of Health, Social Services and Public Safety in Northern Ireland in relation to Measure 3.2 (Health and Well-being) of the EU Interreg IIIA Programme, which is concerned with cross border co-operation.

Department of Health Appropriation Account 2020***Subhead: F1 Payments in respect of disablement caused by Thalidomide***

	€,000
Estimate Provision	495
Outturn	380
Less than provided	115

Reason for variance per Appropriation Account:

“The shortfall was because the mediation process has not concluded and costs of €115,000 provided for in the estimate did not occur.”

This subhead covers the payment of monthly allowances to adults who suffered from severe congenital deformities as a result of their mothers taking the drug Thalidomide during the early stages of pregnancy.

Department of Health Appropriation Account 2020

Subhead: F3 Payments to a Special Account established under Section 10 of the Hepatitis C Compensation Tribunal Act 1997 and 2002

	€ ,000
Estimate Provision	22,000
Outturn	9,245
Less than provided	12,755

Reason for variance per Appropriation Account:

“The shortfall in expenditure of €12.755 million relative to the estimate provision was due to delays in Tribunal sittings in 2020 as a result of COVID 19 and the number and value of awards was less than anticipated.”

This subhead covers the cost of payments in relation to the compensation of women who have been diagnosed positive for Hepatitis C antibodies and/or virus resulting from the use of human immunoglobulin Anti-D and also to provide compensation for children and partners of such women and to provide compensation to individuals who contracted Hepatitis C from a blood transfusion or blood product. The subhead also covers the cost of administering this scheme of compensation.

The total paid to end 2020 in respect of the costs of the Hepatitis C & HIV Compensation Tribunal, excluding the Reparation Fund, is set out below:

	Paid in 2020	Cumulative paid to end 2020
	€m	€m
Pay	0.199	4.127
Non-Pay	0.087	6.744
Members & Chairman’s fees	0.189	13.473
Tribunal Awards	7.594	846.545
Legal costs of awards	2.703	186.596
Total Special Account	10.772	1,057.485

Department of Health Appropriation Account 2020

Subhead: F4 Payments to a Reparation Fund established under Section 11 of the Hepatitis C Compensation Tribunal Act 1997 and 2002

	€,000
Estimate Provision	3,000
Outturn	1,229
Less than provided	1,771

Reason for variance per Appropriation Account:

"Section 11 of the Act provides for the payment of amounts in lieu to claimants who had accepted an award from the Tribunal or an offer of settlement. As set out in F.3, there were delays in Tribunal sittings due to COVID 19 and the number and value of awards by the tribunal was lower than budgeted. As a result, payments from the reparation fund were lower than budgeted."

This subhead covers the payments made from the Reparation Fund established under the Hepatitis C Compensation Tribunal Acts, 1997 and 2002. Any claimant who has accepted an award from the Compensation Tribunal can apply for an additional amount from the Reparation Fund.

The amounts paid to end 2020 in respect of the costs of the Reparation Fund for the Hepatitis C & HIV Compensation Tribunal are set out below:

	Paid in 2020	Cumulative Paid to end 2020
	€m	€m
Reparation Fund Payments	1.582	166.404

The differences between the payments in the year for the Tribunal and amounts in F3 and F4 in the Appropriation Account are due to the timing differences between when payments are made on behalf of the Tribunal and when sanction is received from the Department of Expenditure and Reform for amounts equivalent to what has been spent to be paid into the Special Account and Reparation Fund under sections 10 and 11 of the 1997 Act.

Department of Health Appropriation Account 2020

Subhead: G Dissemination of Information, conferences and publications in respect of health and health services

	€,000
Estimate Provision	2,600
Outturn	2,611
More than provided	(11)

This subhead covers the cost of the dissemination of health information and general information issued by the Department in relation to the health services including certain health promotion related costs.

The analysis of expenditure is as follows:

Payee	Amount	Description
	€,000	
Ipsos MRBI	439	Healthy Ireland Surveys
Inkspot Ltd	329	Covid-19 - Printing
Amarach Research	234	Covid-19 - Surveys
An Post	197	Covid-19 – Public Information Campaign
NUI Galway	170	Health Behaviour of school aged children
Colorman Printers	161	Covid-19 - Printing
Zinc Design Consultants	142	Covid-19 – Printing; Health Ireland - Leaflets
MCCP Research	133	Covid-19 - Research
Safefood	124	Healthy Ireland Communications Programme
PHD Media	115	Covid-19 – TV Advertising
Dafil	96	Covid-19 - Brochures
Irish Heart Foundation	90	FAST Campaign
Open Communications	59	Covid-19 - Booklets
Tobacco Free Research	52	Research Services
Volunteer Ireland	27	Volunteer Ireland Events & Awards
Advertising Standard Authority	26	Alcohol Advertising – Research and monitoring
Earth Horizon Productions	20	Eco Eye Series – TV
Men's Development Network	20	On Féirm Ground – Health Promotion Unit
The Performance Partnership	18	Patient Safety Project
Dave Curran Design	13	Printing for Patient Safety & Quality Unit
DeServ Support Ltd	13	Procurement Services
Albert Hooi	12	Covid-19 – Young Adults Creative Council
Agri Aware	12	Incredible Edibles Programme – Healthy Ireland
Pobal	10	Jigsaw – Healthy Ireland
Sundry Suppliers (33) expenditure less than 10k	99	Services for dissemination of health-related information
Total	2,611	

Department of Health Appropriation Account 2020***Subhead: H Sláintecare***

	€,000
Estimate Provision	45,500
Outturn	21,540
Less than provided	23,960

Analysis of expenditure	€,000
Integration Fund	18,105
Sláintecare Programme Office	3,435
	21,540

Reason for variance per Appropriation Account:

“The shortfall in expenditure of €23.96 million relative to the estimate provision was mainly due to the funding for the Sláintecare Care Redesign Fund (€12m) and Enhanced Community Care Plan (€10m) being funded directly through the HSE. €22m was vired to Subhead J.1 for these items.”

Department of Health Appropriation Account 2020**HSE Subheads: I, J1, J2, K1-K5, L1-L3, M1-M4*****Subhead: I Net Pension Costs***

	€,000
Estimate Provision	562,500
Outturn	517,520
Less than provided	44,980

Reason for variance per Appropriation Account:

“The shortfall in expenditure was due to fewer retirements than originally anticipated in 2020. €15m of this underspend was vired to J.2.”

Subhead: J1 HSE (including Services Development)

	€,000
Estimate Provision	11,722,733
Outturn	11,697,124
Less than provided	25,609

Department of Health Appropriation Account 2020

Subhead: J2 HSE – COVID 19 Actions

	€,000
Estimate Provision	
<i>Original Estimate 1,666,688</i>	
<i>Supplementary 496,383</i>	2,163,071
Outturn	2,351,156
More than provided	(188,085)

Reason for variance per Appropriation Account:

“The increase in expenditure of €684.828 million relative to the estimate provision was mainly due procurement of PPE being €516m higher than planned and non-PPE Covid-19 procurement being €156m higher than originally estimated. Sanctions for this expenditure were approved by Government and received from the Department of Public Expenditure and Reform. €496.383m of this shortfall was met through a supplementary estimate. €169.017m was vired to this subhead from other HSE subheads and €19.068m was vired from non-HSE subheads.”

Subhead: K1 Health Agencies and other similar organisations (part funded by the National Lottery)

	€,000
Estimate Provision	7,513
Outturn	1,879
Less than provided	5,634

Reason for variance per Appropriation Account:

“The shortfall in expenditure of €5.634 million relative to the estimate provision was due to the grants not being paid until the conditions of the grant are fulfilled. Delays occur due to outstanding information requirements such as tax clearance certificates and quotations.”

Department of Health Appropriation Account 2020

Subhead: K2 Payments to Special Account – Health (Repayment) Act 2006

	€,000
Estimate Provision	1,700
Outturn	150
Less than provided	1,550

Reason for variance per Appropriation Account:

“The shortfall in expenditure of €1.550 million relative to the estimate provision was due to the nature of payments under this subhead being such that the timing of funding requests may be unpredictable, particularly if there are queries to be resolved in the verification process, and therefore the timing of payments can be subject to change. Because of the statutory nature of the Scheme, the liabilities arising under the Scheme must be met by the State and therefore it is important to ensure that funding for the Scheme remains in the relevant subhead to meet final liabilities.”

The Health (Repayment Scheme) Act, 2006 (the Act) was enacted in June 2006 to provide a legal basis for the repayment of long-stay charges which had been imposed on persons with full eligibility since 1976 i.e. those persons who had a medical card or who were entitled to a medical card.

The deadline for submitting claims under the Health Repayment Scheme was 31st December 2007. Therefore, no new applications can be accepted by the Health Service Executive.

There are a few complex cases that are still being processed. The timing of funding requests in relation to these can be unpredictable, particularly if there are queries to be resolved in the verification process. As a result, timing of payments can be subject to change.

Department of Health Appropriation Account 2020

Subhead: K3 Payment to Special Account established under Section 4 of the Hepatitis C Compensation Tribunal (Amendment) Act 2006 – Insurance Scheme

	€,000
Estimate Provision	1,500
Outturn	1,686
More than provided	(186)

Reason for variance per Appropriation Account:

“The increase in expenditure of €186,000 relative to the estimate provision was because this is a quasi-judicial process based on claims lodged and the nature of claims and payments vary significantly from year to year.”

Subhead: K4 Payment to State Claims Agency

	€,000
Estimate Provision	400,000
Outturn	377,452
Less than provided	22,548

Reason for variance per Appropriation Account:

“The underspend of €22.548m occurred because there were fewer court sittings than anticipated in 2020 due to public health measures introduced during the year.”

Department of Health Appropriation Account 2020

Subhead: K5 Economic and Social Disadvantaged (Dormant Account Funding)

	€,000
Estimate Provision	2,700
Outturn	997
Less than provided	1,703

Reason for variance per Appropriation Account:

Expenditure was €1.703 million less than initially estimated because projects were deferred due to resources being reallocated due to Covid-19.

Subheads: L1 HSE Primary Care Reimbursement Services and Community demand led schemes

L2 HSE Primary Care Reimbursement Services – COVID-19 Actions

L3 HSE Long Term Residential Care Schemes

Subhead	L1	L2	L3
	€,000	€,000	€,000
Estimate Provision	3,218,400	140,031	1,062,396
Outturn	3,238,400	140,031	998,146
Less than (More than) provided	(20,000)	0	64,250

Reason for variance per Appropriation Account:

L3 *“Expenditure was €64.25 million less than initially estimated because of a decrease in demand for some schemes due to Covid-19 restrictions. This underspend was vired to subhead J.2”*

Department of Health Appropriation Account 2020***Subhead: M1 Grants in respect of building, equipping
(including ICT)***

	€,000
Estimate Provision	14,527
Outturn	12,466
Less than provided	2,061

Reason for variance per Appropriation Account:

“The shortfall in expenditure of €2.061 million relative to the estimate provision was due largely to a small number of ICT capital projects for directly funded agencies being deferred in 2020.”

Department of Health Appropriation Account 2020

(HSE Capital Services)

Subheads: M2 Building, equipping and furnishing of health facilities

M3 Information services and related services for health agencies

M4 Capital Covid 19 actions (including ICT)

Subhead	M2	M3	M4
	€,000	€,000	€,000
Estimate Provision	774,000	222,000	220,000
Outturn	607,726	221,996	320,566
Less than (More than) provided	166,274	4	(100,566)

M2 *“The shortfall in expenditure in 2020 was €166.274 million relative to the estimate was due largely to the costs associated with capital expenditure on the new Children’s Hospital being less than anticipated in 2020 (€147 million). This was due to delays in works being carried out due to Covid-19 restrictions.*

€101 million was vired to M.4 to meet Covid-19 capital requirements while the Department of Public Expenditure and Reform sanctioned that €68.174 million be deferred to 2021 in respect of the cost of the Children’s Hospital project.”

M3 *Expenditure of €221.996 million includes €127 million in respect of non-capital expenditure.*

M4 *“The increase in expenditure of €100.564 million relative to the estimate was due to extensive and essential Covid-19 capital works across the country. This expenditure was sanctioned by the Minister for Public Expenditure and Reform.”*

Department of Health Appropriation Account 2020**Subhead: N Appropriations-in-aid**

	Estimated	Realised	Less / (More) than estimated
	€,000	€,000	€,000
Recovery of cost of health services provided under regulations of the European Community <i>Original estimate: €250,000</i> <i>Supplementary: €20,000</i>	270,000	270,000	0
Receipts from certain excise duties on tobacco products	167,605	167,605	0
Recoupment of certain Ophthalmic Services Scheme costs from the Social Insurance Fund	2,000	5,807	(3,807)
Recoupment of certain Dental Treatment Services Scheme costs from the Social Insurance Fund	3,800	3,126	674
Miscellaneous receipts <i>Original estimate: €51</i> <i>Supplementary: €3,500</i>	3,551	24,615	(21,060)
Dormant accounts	2,700	11,247	(8,547)
Receipts from pension-related deduction on public service remuneration	3,915	3,510	405
Receipts in respect of Special EU Programmes	150	1,813	(1,663)
Receipts in respect of European Social Fund (ESF) and European Regional Development Fund (ERDF) <i>Original estimate: €1,</i> <i>Supplementary: €9,500</i>	9,501		
Total	463,222	487,723	(24,501)

Department of Health Appropriation Account 2020

Reasons for variances per Appropriation Account:

Description	Less/(more) than estimated €000	Explanation
Recovery of cost of health services provided under regulations of the European Community	0	The original estimate of €250 million was increased by a supplementary of €20 million giving a final estimate of €270 million. The amount received is negotiated during the year and it is uncertain what the amount to be received will be prior to negotiations being conducted.
Recoupment of certain Ophthalmic Services Scheme costs from the Social Insurance Fund	(3,807)	The increase of €3.807 million was due to claims under the ophthalmic services scheme being difficult to predict. There is a time lag in the availability of information from the Department of Employment Affairs and Social Protection on the level of claims arising.
Recoupment of certain Dental Treatment Services Scheme costs from the Social Insurance Fund	(674)	The decrease of €0.674 million was due to claims under the dental services scheme being difficult to predict. There is a time lag in the availability of information from the Department of Employment Affairs and Social Protection on the level of claims arising.
Miscellaneous receipts	(21,060)	The increase of €24.560 million mainly due a receipt of €23.279 million from the EU Solidarity Fund in December 2020. Miscellaneous receipts also consisted of transfers of unused funds from the EU Funding suspense account, receipts for licence fees under the Misuse of Drugs Act and Freedom of Information Fees.
Dormant Accounts	(8,547)	On foot of a Government Decision, the Department of Rural and Community Development, the Department of Health and the Department for Children, Disability, Equality and Integration funded the COVID-19 Stability Fund for Community and Voluntary, Charity and Social Enterprises. €10 million was received from the Dormant Accounts Fund in relation to this scheme. The scheme was administered by Pobal on behalf of the Department of Rural and Community Development. Expenditure relating to this scheme was paid from E01.
Receipts from pension-related deduction on public service remuneration	409	The amount received from additional superannuation contributions was €.405 million less than estimated due to a decrease in contributions received from agencies under the aegis of the Department.
Receipts in respect of EU Special Programmes	(1,663)	The receipts received in respect of Special EU Programmes was €1.663 million greater than expected due to the nature of the INTERREG programme meaning that the timing of these receipts is unpredictable.

Department of Health Appropriation Account 2020

	€,000
Pension Related Deductions: DOHC Staff	1,199
Pension Related Deductions: Health Agencies	2,311
Sub-Total: Pension Related Deduction	3,510