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An Oifig Buiséid Pharlaiminteach Parliamentary Budget Office Overview of the Revised Estimates for Public Services 2024

Publication 7 of 2024

Séanadh

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Key Messages

General

- In 2024 projected Government Expenditure will reach almost €96.7 billion. This includes ~€83.2 billion in current spending, ~€13 billion in capital spending and almost €0.4 billion that has yet to be allocated for any specific purpose.
- Pre-pandemic (2015-2019), the end-year allocation averaged 2.1% more than the allocation at year commencement; however, post-pandemic (2021-2023), the end-year allocation averaged 8% more than the allocation at year-commencement. It is unclear if the growth in end-year allocations will return to pre-pandemic levels.
- Since the pandemic there has been an increase in underspending (amount made available less amount actually spent). While this is declining, it remains to be seen if unspent allocations will return to pre-pandemic levels of about 0.5% of the gross allocation.
- A shared feature of several of the largest Votes (in receipt of allocations exceeding €2 billion in 2024) is that they are associated with significant levels of staffing. Together, the 2024 pay allocation for these Votes is €21.77 billion, over 85.4% of the total pay allocation for 2024.
- The proposed [*Public Service Agreement 2024-2026*](#) will, if implemented, significantly impact on the resourcing needs for a range of Votes. Particularly in Votes with large staffing cohorts such as Health, Education, Further and Higher Education, Research Innovation and Science, and Garda Síochána. REV 2024 made a €0.7 billion provision for this across pay and pensions.
- After capital carryover of over €520 million to 2024, there remains an unused balance of ~€1,044 million which will be returned to the Exchequer.
- Wherever possible, policies, plans and programmes implemented under the various Votes should clearly link the targets they set out to money being allocated to specific subheads in the *Revised Estimates for Public Services*.
- Having noted that the *Revised Estimates for Public Services* has been republished with amendments since the initial December 2023 publication, the PBO recommends that key budgetary documents henceforth include a version (e.g., v.1.0) and most recent publication date in a prominent location.

Vote Specific

Garda Síochána (Vote 20)

- In 2024, a gross allocation of over €2,355 million has been provided. This is an increase of just over €31 million compared to the allocation for 2023.
- The Vote has a single programme, “Working with communities to protect and serve”. The two largest subheads within this Vote are A.1 – Administration – Pay (€1,4382.3 million) and A.8 – Superannuation (€458.1 million).

Education Sector (Vote 26 & 45)

- The gross allocation for the Education Sector (Vote 26, Vote 45 and the National Training Fund (non-Voted)) in 2024 is €15,117 million, €19.6 million more than 2023.
- Greater clarity as to staffing allocations could be provided by way of an expanded set of context and impact indicators associated with the Education Vote. This would facilitate greater understanding of trends in the sector.
- Comparing across two datasets (which introduces some uncertainty) approximately 15.5% of the planned increase in teaching posts are associated with Special Education Teachers. Overall, this would reflect an increasing proportion of teaching roles being associated with Special Education. Assuming the datasets are broadly compatible, SET posts are rising from ~5.7% of all teaching posts in 2023, to ~6.1% in 2024.

Housing, Local Government and Heritage (Vote 34)

- Inclusive of capital carryover from 2023, in excess of €2.65 billion is available for capital spending on the Housing programme in 2024.
- Key measures of housing delivery (through capital spending) shows that the majority of the overall increase in the target for social housing delivery (1,500 additional units) is being driven by acquisition programmes, with just 200 additional units planned to be delivered through build programmes.

Social Protection (Vote 37) and the Social Insurance Fund (Vote 37a)

- The total Social Protection allocation for 2024 is €25,579 million, 26.5% of the €96,663 million allocation for 2024 (inclusive of €376 million in funding yet to be allocated to specific Votes).

- Spending on Social Protection is highly concentrated in two Cost Groups, Pensions (€10,685 million) and Illness, Disability and Carers (€5,600 million). These Cost Groups represent 63.7% of gross Social Protection spending provided for in 2024.
- Social Insurance Fund (SIF) spending in 2024 is projected to be almost €560 million greater than 2023.

Health (Vote 38)

- Gross spending for Vote 38 for 2024 is more than €22,821 million.
- The Health Vote comprises the single largest component of Voted spending (27.6%).
- COVID specific subheads make up 4.3% of the gross allocation in 2024, an increase over 2023 levels (3.9%).
- The 2024 pay provision is €9,624 million, down from €9,739 million in 2023. Additionally, staff headcount in Health is projected to increase by 2,262. It is not clear how this is to be achieved while also providing for the proposed [Public Service Agreement 2024-2026](#).

Children, Equality, Disability, Integration and Youth (Vote 40)

- In 2024 the gross allocation for Children, Equality, Disability, Integration and Youth (CEDIY) is more than €7,428 million.
- Growth in spending in this Vote has been primarily associated with two programmes, specifically D – An Equal and Inclusive Society, and E – A Fair and Efficient Support System for International Protection Seekers.

Introduction

On [13 December 2023](#), the Minister for Public Expenditure, NDP Delivery and Reform moved (and it was agreed) that the *Revised Estimates for Public Services 2024* (the ‘Revised Estimates’ or ‘REV’), be presented to Dáil Éireann, circulated to Members and referred to Dáil Select Committees for scrutiny. Under [Standing Order 215A](#) sectoral Committees are obliged to consider the estimates within 60 days of referral unless otherwise ordered.

The PBO analysis of this year’s Revised Estimates is built on previous Revised Estimates publications, as well as Papers and Notes which address various aspects of the Revised Estimates. All PBO publications are available [here](#). This year’s paper will provide:

- An overview of spending projections for 2024 (p.11),
- A reflection on spending projections for 2023 (including Supplementary Estimates) (p.13),
- An overview of Capital Carryover (p.21),
- An overview of Appropriations-in-Aid (p.25),
- Discussion of the Votes which cover the majority of spending allocations as presented in the *Revised Estimates for Public Services 2024* (p.26):
 - Vote 20 Garda Síochána (p.28),
 - Vote 26 Education & Vote 45: Further and Higher Education, Research, Innovation and Science (p.29),
 - Vote 31 Transport (p.33),
 - Vote 34 Housing, Local Government and Heritage (p.34),
 - Vote 37 Social Protection (p.39),
 - Vote 38 Health (p.42), and
 - Vote 40 Children, Equality, Disability, Integration and Youth (p.45).

Furthermore, this paper will be accompanied by a series of shorter publications which will address some issues related to this paper in greater detail (see page 10).

Table 1 shows the composition of Government Expenditure as reported in the *Revised Estimates for Public Services 2024*. This is a combination of Voted and non-Voted monies.¹

¹ See [Ministers and Secretaries \(Amendment\) Act 2013](#).

Table 1 shows how the gross spending allocation for 2024 evolved from the Budget's *Expenditure Report* (October 2023) to the *Revised Estimates for Public Services 2024* (December 2023). Overall, total spending increased by €85 million, but more significantly, the amount of unallocated funds reduced from €2,192 million to €376 million. The increased clarity as to where funds are being allocated is welcome, although notably the unallocated funds are no longer broken down between current and capital.

Unless otherwise stated, gross spending in 2024 refers to the gross allocation to Votes (excluding the €376 million unallocated).

Table 1: Evolution of 2024 Budget Allocation (€ millions)

Gross Spending Allocation	Expenditure Report	Revised Estimates for Public Services	Change
Current	€81,805	€83,179	€1,374
Capital	€12,581	€13,016	€435
Unallocated Current	€1,588	-	-
Unallocated Capital	€604	-	-
Unallocated Total	€2,192	€376	(€1,816)
Total	€96,578	€96,663	€85

Source: Department of Public Expenditure, NDP Delivery and Reform, [Budget 2024: Expenditure Report 2024](#) (October 2023) and Department of Public Expenditure, NDP Delivery and Reform, [Revised Estimates for Public Services 2024](#) (December 2023).

Box 1: Data Underpinning this Analysis

This paper relies on data available in Q4 2023 and early in Q1 2024, as such, much of the analysis of spending relies on the *Fiscal Monitor: December 2023* published early in 2024.

Prior to publication the PBO received provisional 2023 spending data from colleagues in the Department of Public Expenditure, NDP Delivery and Reform. Where possible, commentary and graphics have been updated to reflect this additional data; however, due to limitations in the data (doesn't distinguish between current and capital spending), this has not been possible in all cases. The PBO notes that:

- More than €586 million less has been spent in 2023 than had been estimated in the Revised Estimates published in December 2023,
- Provisional 2023 spending is almost €1,564 million less than provided for, and

- After capital carryover of over €520 million to 2024, there remains an unused balance of ~€1,044 million which will be returned to the Exchequer.

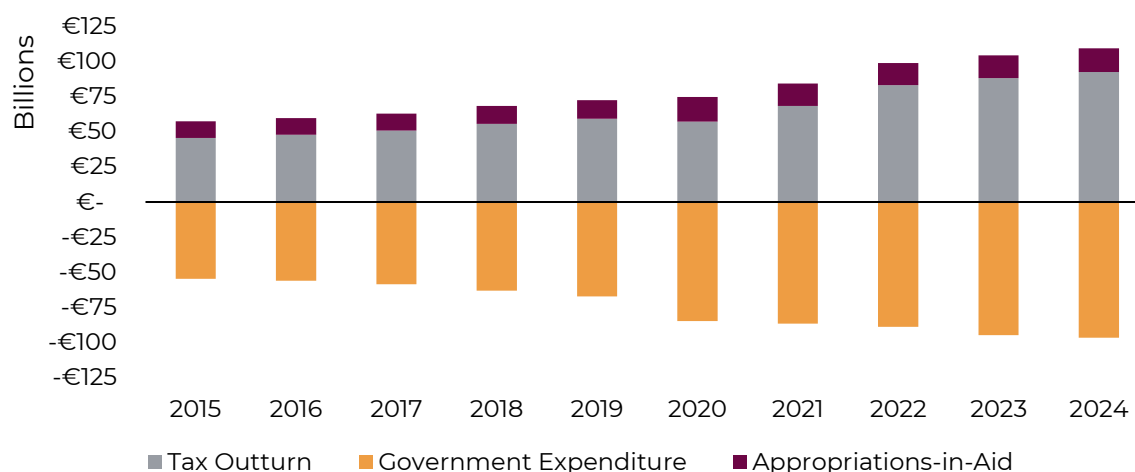
Recent Trends in Tax Revenue, Appropriations-in-Aid and Gross Spending

Figure 1 illustrates a pattern of growth in gross spending up to the pandemic; however, the pandemic resulted in a significant increase in 2020, with gross spending 26% greater than in 2019. The gross allocation in 2024 (€96,663 million) represents a €755 million increase on the 2023 allocation.²

Data for 2023 and 2024 are provisional/estimated, with:

- 2023 gross spending, tax revenue and Appropriations-in-Aid being reported in the *Fiscal Monitor: December 2023*, and
- 2024 figures being taken from *Budget 2024: Economic and Fiscal Outlook* and the *Revised Estimates for Public Services 2024*.

Figure 1: Overview of Government Expenditure, A-in-A and Tax Revenue



Source: Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 29 January 2024); Department of Finance, [Budget 2024: Economic and Fiscal Outlook](#) (2023) p.54; and Department of Finance, 'Databank' (Accessed January 2024); and Department of Finance, [Fiscal Monitor: December 2023](#) (January 2024).

Note: Tax outturn data post 2022 is projected. 2023 Appropriations-in-Aid and Spending data are provisional. 2024 data is forecast and therefore subject to considerable uncertainty.

² This includes €376 million that is currently unallocated and may be allocated at a later date in 2024.

Significance of the Revised Estimates for Public Services

In October of each year (as part of the budget) the *Estimates for Public Services* are published.³ The *Estimates for Public Services* are published as Part 3 of the [Expenditure Report](#) and set out, at Programme level, the allocations for each Vote. As such, the Expenditure Report reflects a high-level summary of the allocations for the coming year.

The *Revised Estimates for Public Services* (also referred to as the Revised Estimates or REV) are published annually in December. This document contains substantially more detail than the *Estimates for Public Services*. The *Revised Estimates for Public Services* break down the allocations to Votes to subhead level, providing a reasonably detailed breakdown of proposed spending for the coming year. In addition to the projections of gross spending, the Revised Estimates include projections of Appropriations-in-Aid which are offset against gross spending in each Vote – providing the Net spending projection for each Vote. **The Revised Estimates for Public Services is arguably the key document published in the annual budgetary framework.**

The fundamental significance of the Revised Estimates is that it presents details of Government Expenditure.⁴ **Most significantly, the money allocated to specific subheads for the coming year as approved by Dáil Éireann, funded by the Exchequer** (via the net Voted allocation, and by the Oireachtas through the approval of set levels of Appropriations-in-Aid).⁵

It is important that Members have a clear understanding of what monies are being allocated and what those monies are expected to generate in terms of outputs. **Wherever possible, policies, plans and programmes implemented under the various Votes should clearly link the targets they set out to money being allocated to specific subheads in the Revised Estimates for Public Services.**

³ In 2022 the Budget took place in September, but this is not the norm.

⁴ See [Ministers and Secretaries \(Amendment\) Act 2013](#).

⁵ Department of Public Expenditure, NDP Delivery and Reform, [Public Financial Procedures](#) (2012) p.163.

Related Publications

This publication will be accompanied by a series of shorter notes which will focus on specific topics of interest. These are:

- **Public Service Staffing and Pay 2024:** Provides a high-level overview of the staffing composition of the public sector in 2024 in the context of longer-term trends.
- **Climate Related Spending in 2024:** Focusses on an analysis of climate related spending as set out in Appendix 6 of the *Revised Estimates for Public Services 2024*.
- **Capital Carryover (Deferred Surrender) and Surrendered Funds:** This brief note looks at recent trends in capital carryover and surrendered funds (unspent money returned to the Central Fund at year end).

Other helpful material

In addition to publications relating to the *Revised Estimates for Public Services 2024*, a curated list of reference publications can be found [here](#). These publications explain key matters that may be touched on in this publication. These include:

- [*An Overview of the Central Fund: What it is & how it operates*](#) (July 2023),
- [*Measuring the Cost of Public Service Provision: Gross & Net Spending in Ireland*](#) (June 2023), and
- [*An overview of the Social Insurance Fund \(SIF\)*](#) (May 2018).

Voted Spending 2023 & 2024

Gross Voted expenditure represents the total spending associated with a Vote. However, the net spending of a Vote is the amount subject to the approval of Dáil Éireann. The gross allocation is not the amount of funding required for supply from the Central Fund (net allocation), as many Votes will have offsetting Appropriations-in-Aid (A-in-A). A-in-A are funds paid into a Vote which can be applied to that Vote to defray the spending arising under the same Vote, for example passport fees or firearm license fees.⁶

The analysis of gross spending is important as it more accurately represents the cost of public service provision.⁷ A-in-A are also subject to varying degrees of uncertainty, and forecasts of this income may not necessarily be accurate. If A-in-A are below projected levels the shortfall in income would need to be offset by supply from the Central Fund by way of a Supplementary Estimate.⁸

This paper will also include some areas of spending projected for 2023 which are not Voted but are presented in the Estimates, and *Revised Estimates for Public Services* as they form part of Government Expenditure. ‘[Government Expenditure](#)’ is defined as:⁹

- (a) Money supplied out of supply grants and Appropriations-in-Aid in respect of supply services,
- (b) Money paid out of the Social Insurance Fund, and
- (c) Money paid out of the National Training Fund.

Public expenditure, on a General Government basis, is expected to be €121.28 billion in 2024 (+€5,165 million on 2023). Of this approximately €104.86 billion is Exchequer expenditure (+€3.685 billion on 2023), with:

- €96.58 billion proposed as gross Voted expenditure (+€3.2 billion on 2023),
- With gross Voted current expenditure projected to be €83.395 billion (+€1.9 billion on 2023), and
- Gross Voted capital expenditure of €13.185 billion (+€1.3 billion on 2023).

⁶ Parliamentary Budget Office, [Appropriations-in-Aid in the Revised Estimates for Public Services](#) (2018).

⁷ Parliamentary Budget Office, [Measuring the Cost of Public Service Provision: Gross & Net Spending in Ireland](#) (June 2023).

⁸ Alternatively spending could be reduced, with savings offsetting reduced income.

⁹ [Ministers and Secretaries \(Amendment\) Act 2013](#).

Non-Exchequer General Government Expenditure comprises of:

- The local Government sector,
- Non-commercial state bodies which generate some of their own income, plus
- Adjustments for accruals accounting (the Exchequer operates on a cash basis whereas the General Government is based on accruals accounting).

Non-Voted Exchequer expenditure comprises monies spent under particular legislation – the bulk of which is National Debt interest and the contribution to the European Union Budget.

The relative importance of Gross Voted Expenditure, as set out in the *Revised Estimates for Public Services 2024*, is illustrated in the table below:

Table 2: Total Public Expenditure 2024

	€ billions 2023	€ billions 2024	2024 composition (%)
Gross Voted Expenditure (Government Expenditure Ceiling)	93.38	96.58	79.6%
Non-Voted Exchequer Current Expenditure (Non- Voted Current Expenditure)	7.795	8.28	6.8%
Non-Exchequer General Government Expenditure	14.94	16.42	13.5%
Total Public Expenditure (General Government Expenditure)	116.115	121.28	100%

Source: PBO based on [Budget 2024 Economic and Fiscal Outlook](#) (October 2023) p.28 & p.34.

Estimates of Expenditure 2023

In the *Revised Estimates for Public Services 2023* (December 2022) a total of €89,865 million in gross spending was set out. This comprised of €77,795 million (86.6%) in current allocation and €12,070 million (13.4%) in capital allocation.

Supplementary Estimates and Further Revised Estimates 2023

In 2023 €95,908 million in gross spending was ultimately allocated, comprising €83,269 million (86.8%) in gross current spending, with the balance of €12,640 million (13.2%) of gross capital spending. **This is an increase of €6,043 million (gross) over the initial allocation.**

The means by which allocations change are set out in Box 2 below.

Box 2: How allocations are changed

Supplementary Estimates set out the net need for additional funds for a Vote above the level approved in the *Revised Estimates for Public Services* for that year. This net figure comprises:

- Gross spending on subheads over previously approved levels,
- Offsetting savings on other subheads, and
- Either above or below profile Appropriations-in-Aid.

Further Revised Estimates are generally required where the Revised Estimate has not yet been Voted and is instead withdrawn and replaced. Alternatively, they arise where the functions of one Department are transferred to another.

The **net allocation** in a given year (also known as **supply services**) reflects the amount of **spending approved by Dáil Éireann** to be funded **from the Central Fund**.¹⁰

In 2023, the initial net allocation was €74,288.4 million; however, a number of Further Revised Estimates and Supplementary Estimates increased this allocation to €79,862 million, an increase of €5,573.5 million (+7.5%).

In 2023 there were four Further Revised Estimates and three Supplementary Estimates. Together, these comprised an additional €5,573.5 million in funding from the Exchequer. **This is a significant increase in net allocation/supply services of 7.5%.** Overall:

- Further Revised Estimates in 2023 necessitated an additional Exchequer allocation of €40.037 million, and

¹⁰ See PBO, [Measuring the Cost of Public Service Provision: Gross & Net Spending in Ireland](#) (June 2023), and PBO, [An Overview of the Central Fund: What it is & how it operates](#) (July 2023).

- Supplementary Estimates in 2023 necessitated an additional Exchequer allocation of €5,533.508 million.

Table 3 and Table 4 detail the net additional spending necessitated by the various Further Revised Estimates and Supplementary Estimates during 2023.

Table 3: Summary of Further Revised Estimates in 2023

Type (Date Laid)	Vote(s) affected	Net Allocation (Change € millions)
Further Revised Estimate (26 January 2023)	42. Rural and Community Development	€30
Further Revised Estimate (08 February 2023)	11. Public Expenditure, National Development Plan Delivery and Reform	Nil
Further Revised Estimate (24 February 2023)	16. Tailte Éireann	€84.104
	16r. Valuation Office	(€16.107)
	23. Electoral Commission	€5.681
	23r. Property Registration Authority	(€38.107)
	34. Housing Local Government and Heritage	(€25.534)
Further Revised Estimate (31 March 2023)	38. Health	(€2,646.828)
	40. Children, Equality, Disability, Integration and Youth.	€2,646.828
Total		€40.037

Table 4: Summary of Supplementary Estimates in 2023

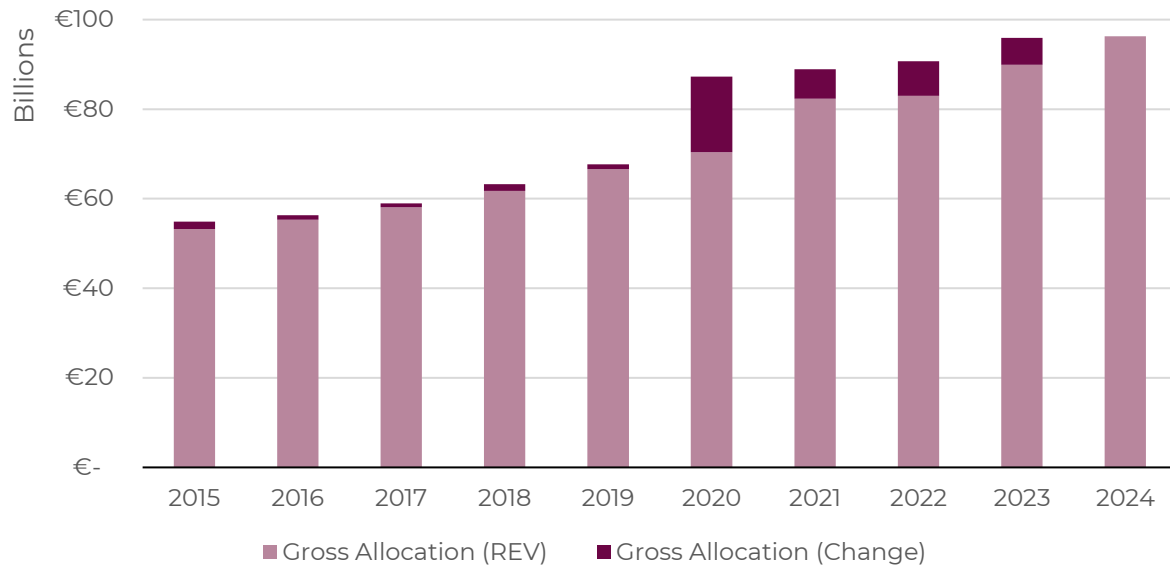
Type (Date Laid)	Vote(s) affected	Net Allocation (Change € millions)
Supplementary Estimate (02 October 2023)	40. Children, Equality, Disability, Integration and Youth.	€1,090
Supplementary Estimate (01 December 2023)	5. Director of Public Prosecutions	€4.5
	7. Office of the Minister for Finance	€0.001
	29. Environment, Climate and Communications	€938.606
	42. Rural and Community Development	€11
Supplementary Estimate (01 December 2023)	2. Department of the Taoiseach	€0.001
	9. Office of the Revenue Commissioners	€52.298
	11. Public Expenditure, National Development Plan Delivery and Reform	€0.001
	12. Superannuation and Retired Allowances	€0.001
	13. Office of Public Works	€20.099
	14. State Laboratory	€0.388
	17. Public Appointments Service	€0.152
	18. National Shared Services Office	€0.001
	20. Garda Síochána	€48.543
	21. Prisons	€18.722
	22. Courts Service	€0.001
	24. Justice	€0.001

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25. Irish Human Rights and Equality Commission	€0.185
26. Education	€795.154
27. International Co-Operation	€25
28. Foreign Affairs	€46
30. Agriculture, Food and the Marine	€236.506
31. Transport	€81.468
32. Enterprise, Trade and Employment	€0.001
33. Tourism, Culture, Arts, Gaeltacht, Sport and Media	€16
34. Housing, Local Government and Heritage	€153.481
37. Social Protection	€677.714
38. Health	€1,034.374
40. Children, Equality, Disability, Integration and Youth	€170.939
43. Office of the Government Chief Information Officer	€4.903
45. Further and Higher Education, Research, Innovation and Science	€107.468
Total	€5,533.508

Figure 2 illustrates the gross allocation set out in the Revised Estimates for each year 2015 to 2024. This represents the base projection of annual gross Voted spending. Also illustrated are the gross allocations for each year as reported in the subsequent year's Revised Estimates. This illustrates the growth from initial projected gross spending to the gross allocation ultimately Voted (approved) for the same year. It is important to note that these end-year figures are not the same as the gross spend of the same year – as some funds tend to go unspent.

Figure 2: Initial Allocation (Revised Estimate) and End-Year Allocation (inc. Further Revised Estimates & Supplementary Estimates)

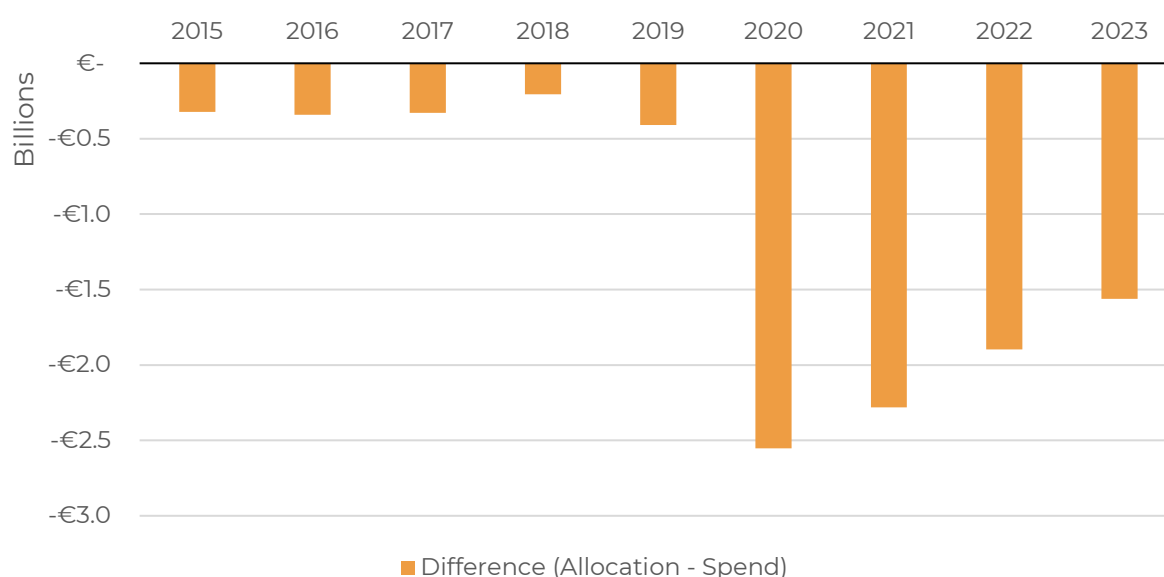


Source: PBO based on Revised Estimates for Public Services 2015 to 2024 (available [here](#)).

Figure 2 illustrates some general points:

- Gross spending has been increasing steadily in recent years. Between 2015 and 2019 (pre-pandemic) gross allocations at year-commencement grew by €13,391.94 million (approximately 25%),
- Pre-pandemic (2015-2019), the end-year allocation averaged 2.1% more than the allocation at year commencement,
- The pandemic necessitated a very significant in-year increase in gross allocation in 2020,
- The pandemic's impact remained significant in 2021. Notwithstanding an increased allocation for 2021 reflecting pandemic spending pressures, a substantial additional gross allocation was required in-year (over €6,553 million),
- Post-pandemic (2021-2023), the end-year allocation averaged 8% more than the allocation at year-commencement,
- It is unclear if the growth in end-year allocations will moderate as distance from the pandemic increases, and
- Projections of gross spending at year-commencement have risen by more than €43 billion (80.9%) between 2015 (€53.2 billion) and 2024 (€96.3 billion).

Figure 3: End-year Spending vs Gross Funding Allocated in-year



Source: Revised Estimates for Public Services 2015 to 2024, Correspondence from the Department of Public Expenditure, NDP Delivery and Reform (13 February 2024), and [DPER Databank](#).

Note: 2022 data is provisional, final figures will not be available prior to publication of the Appropriation Accounts 2023.

Figure 3 illustrates the difference between the realised spending in a budget year (outturn or provisional outturn) and the final allocation for a budget year (Voted approved spending). It shows that, for the period in question, more has been allocated than has been spent (as should be the case); however, what is notable is the dramatic increase in the scale of this ‘unspent’ allocation in line with the pandemic.

While the ‘unspent’ allocations have grown significantly in monetary value since the pandemic, they’ve grown in % terms too, even as overall allocations have grown (see Figure 2). In 2018, the unspent allocation was just 0.3% of the total allocation available, this grew to 2.9% in 2020, before declining to 1.6% in 2023. **It remains to be seen if unspent allocations will return to pre-pandemic levels of about 0.5% of the gross allocation for a year.**

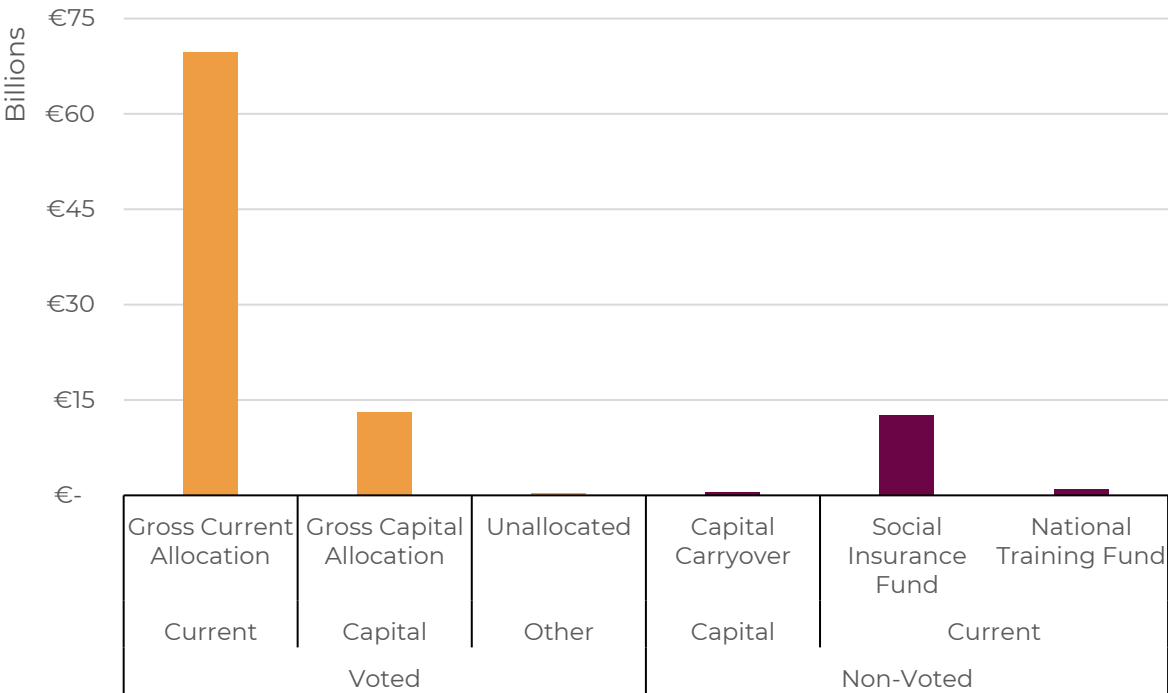
Overall Estimates of Expenditure 2024

Gross spending projected for 2024 is the highest level recorded (at year-commencement) as set out at the Revised Estimates (see Figure 2, p.17). Figure 4 shows the composition of gross spending projected for 2024. This includes both Voted and Non-Voted spending, sub-divided into current and capital spends. Cumulatively, these amount to **almost €97.2 billion** (including capital carryover of €532 million).

Voted spending is projected to reach over €83,059 million (85.5%) compared to **non-Voted spending of over €14,135 million** (14.5%). Spending in the *Revised Estimates for Public Services 2024* is as follows (to the nearest million):

- €69,668 million of Voted current spending,
- €13,016 million of Voted capital spending,
- €376 million of unallocated spending (current and/or capital),
- €532 million of capital carryover / deferred surrender (Non-Voted capital spending),
- €12,683 million of Social Insurance Fund (SIF) spending (Non-Voted current spending), and
- €920 million of National Training Fund (NTF) spending (Non-Voted current spending).

Figure 4: Gross Spending Projected for 2024



Source: PBO based on *Revised Estimates for Public Services 2024* (December 2023).

Capital carryover is discussed at page 21. The PBO cannot comment on the €376 million that is currently unallocated. This section will instead focus on discussion of:

- Voted spending (current and capital) of almost €82,684 million, and
- Non-voted spending via funds (Social Insurance Fund and National Training Fund) of more than €13,603 million.

Gross spending is distributed across 45 Votes. It also incorporates two funds, the Social Insurance Fund (SIF) and the National Training Fund (NTF). Within the 45 Votes encompassed by Voted spending, the gross allocation is heavily concentrated in a small number of Votes. In fact, **just 8 Votes are receiving a Voted allocation in excess of €2 billion in 2024.**

These Votes represent 84.9% of the gross Voted allocation (almost €70,178 million of the almost €82,684 million Voted allocation). These Votes are (to the nearest million):

- Vote 20 Garda Síochána €2,356 million (2.8%),
- Vote 26 Education €10,853 million (13.1%),
- Vote 31 Transport €3,574 million (4.3%),
- Vote 34 Housing, Local Government and Heritage €6,906 million (8.4%),
- Vote 37 Social Protection €12,896 million (15.6%),
- Vote 38 Health €22,821 million (27.6%),
- Vote 40 Children, Equality, Disability, Integration and Youth €7,428 million (9%), and
- Vote 45 Further and Higher Education, Research, Innovation and Science €3,344 million (4%).

Capital Carryover (Deferred Surrender)

Capital carryover refers to unspent capital allocations from one year (e.g., 2023) which may be permitted to be spent in the following year (e.g., 2024).

In accordance with [Section 91 of the Finance Act 2004](#), the Minister for Public Expenditure and Reform may provide for up to 10% of a capital allocation to a Vote (if unspent) be carried over to the following financial year. Such sums are set out in the Revised Estimates as the 'Application of Deferred Surrender'. These funds receive Dáil approval for allocation to the named subheads in this manner and are accounted for as a first charge. This requires that these funds must be spent first before a Vote can use the 'new' funds allocated in the Budget for the year.

Importantly, the “deferred surrender does not have to be applied to the same capital subheads in which the under spends occurred.”¹¹ For more detailed discussion of capital carryover please see PBO, [Capital Carryover \(Deferred Surrender\) 2022](#) (March 2022).

Capital Carryover in 2024

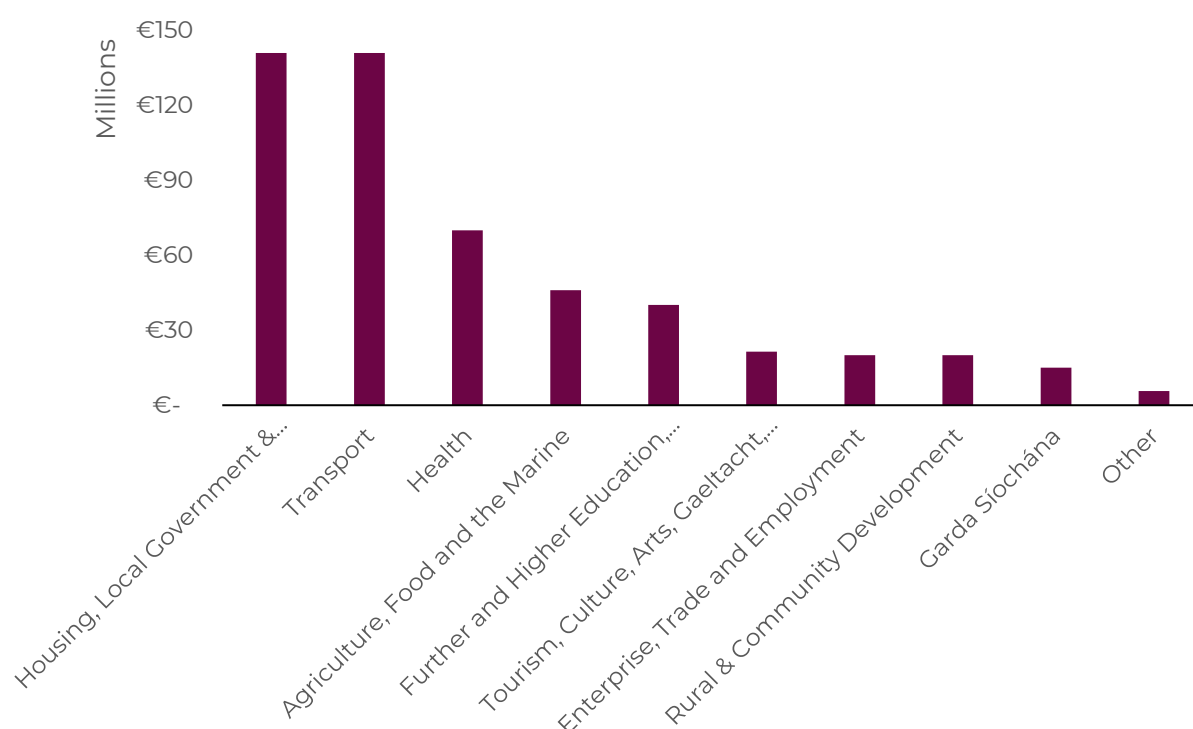
The [Appropriation Act 2023](#) **provided for over €532 million capital carryover across 16 Votes**. Ultimately, **only ~€520 million in capital carryover is taking place across 15 Votes** – with 1 Vote of the Justice Group (Prisons) having no capital carryover, and 3 Votes of the Justice Group having reduced capital carryover compared to the provisions of the Appropriation Act. Together, these changes in capital carryover for the Justice Vote Group explain the €11.95 million less capital carryover to 2024 compared to the provisions of the Appropriation Act. This is explained further in Appendix 1: Capital Spending in 2024 (p.47) and Appendix 2: Reconciliation of Revised Estimates for Public Services 2024 and Appropriation Act 2023 (p.49).

The PBO suggests that clear versioning of all key documents in the budgetary cycle should be implemented, with the version and date of publication stated clearly on the cover of the document.

Along with the capital allocations assigned in the REV (€13,016 million), the **capital carryover will take projected gross Voted capital spending in 2024 to almost €13.54 billion**. Figure 5 shows capital carryover in 2024, with Votes receiving less than €10 million categorised together as 'Other'.

¹¹ Department of Finance, [Circular 28/04: Implementation of Deferred Surrender of unspent capital under Multi-Annual Capital Envelopes](#) (October 2004).

Figure 5: Capital Carryover (by Vote) in 2024



Source: PBO based on *Revised Estimates for Public Services 2024* (December 2023).

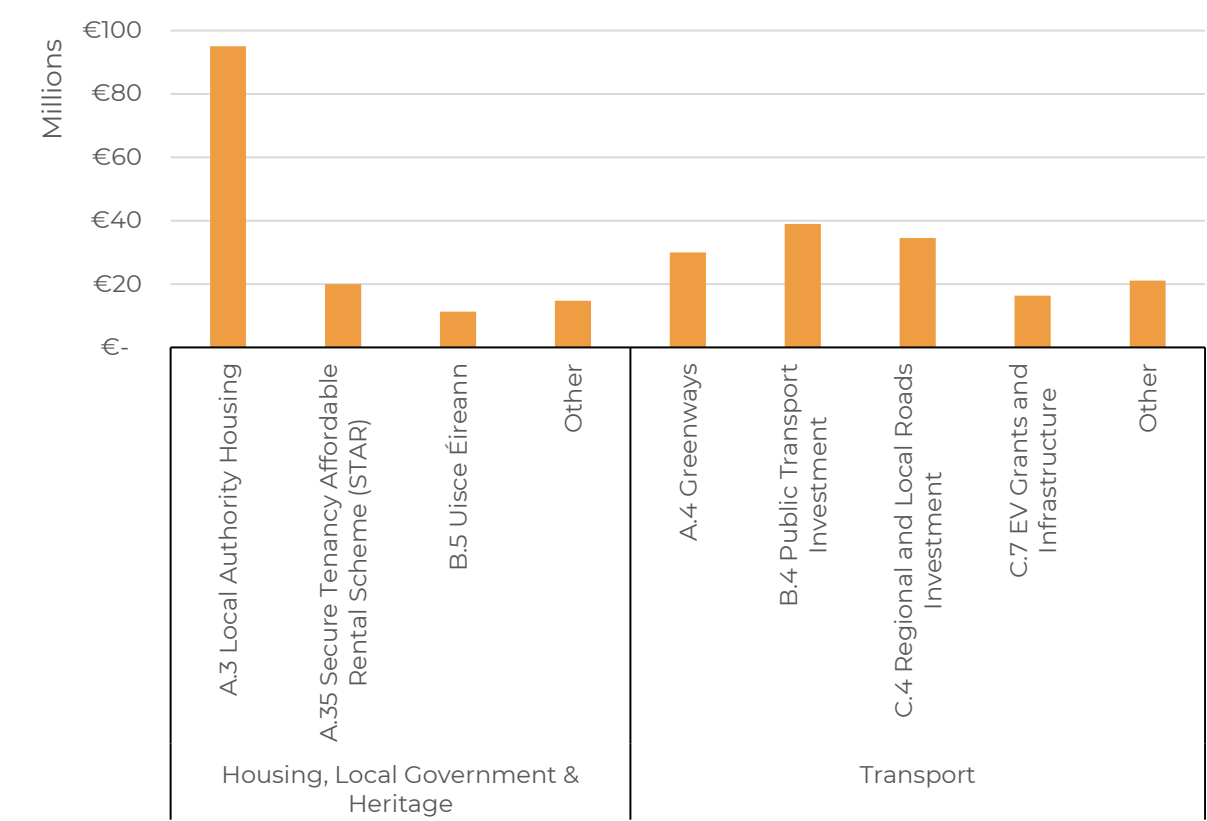
Note: 6 Votes have capital carryover of less than €10 million. These Votes are Office of the Minister for Finance, Office of Government Procurement, National Shared Services Office, Justice, Environment, Climate and Communications, and Courts Service.

Just two Votes represent almost €282 million (54%) of the total deferred surrender:

- Vote 34 Housing, Local Government and Heritage: €141 million (27.1% of total capital carryover), and
- Vote 31 Transport: €140.92 million (27.1% of total capital carryover).

Figure 6 shows the subheads to which capital carryover is being applied in 2024 within these two Votes, with subheads receiving less than €10 million categorised as 'Other'. **Significantly €95 million (18.39% of all 2024 capital carryover) is being applied to subhead A.3 Local Authority Housing.** As capital carryover does not necessarily get allocated to the same subhead where an 'underspend' arose, it is not possible to definitively comment on where challenges are being faced by a Department.

Figure 6: Application of Deferred Surrender 2024 (subhead level)

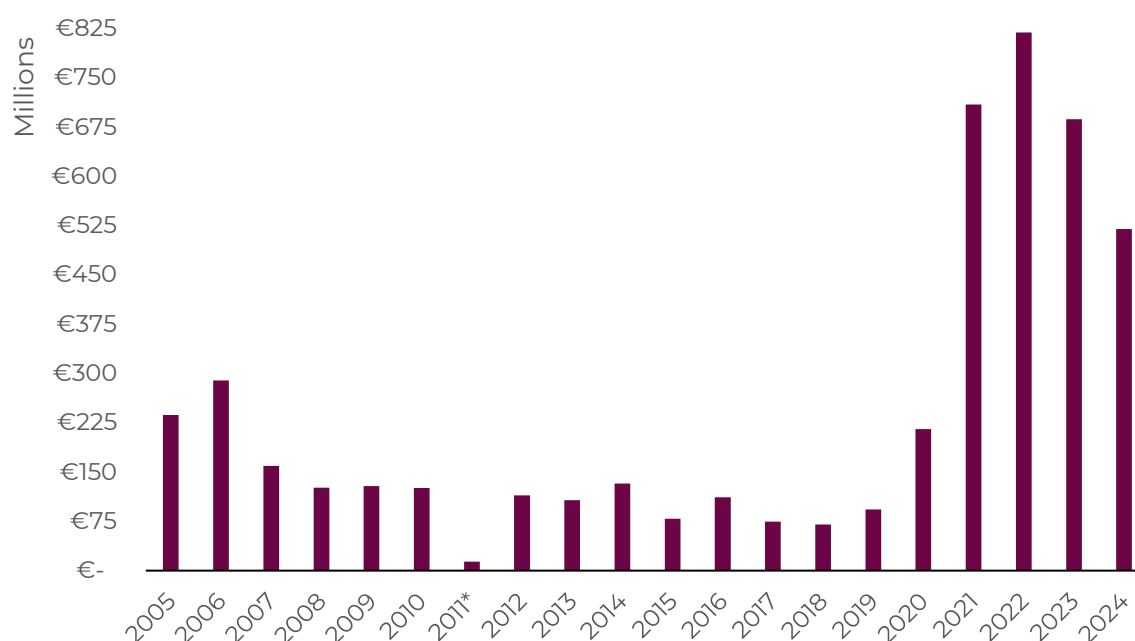


Source: PBO based on *Revised Estimates for Public Services 2024* (December 2023).

Both internal and external factors can impact on why a Vote may be unable to utilise their annual capital allocation such as poor profiling or performance targeting (internal) and supply chain issues or capacity for delivery (external).

Figure 7 shows capital carryover during the period 2005 to 2024. The increase in capital carryover observed in 2020 reflects monies carried forward from 2019 and is therefore not attributable to the pandemic.

Figure 7: Capital carryover 2005-2024 (funds carried into year from previous year)



Source: PBO based on various [statutory instruments](#) (2005-2023),¹² and the *Revised Estimates for Public Services 2024* (December 2023).

* Two Statutory Instruments (SI) were published in 2011. It appears the second SI reflected Vote restructuring i.e., a lateral transfer of the allocation to reflect a transfer of functions rather than an additional sum of money being made available.

Figure 7 illustrates that while a carryover of some level has occurred in every year, constraints in delivery primarily as a result of COVID-19 restrictions in 2020 and 2021 have brought the level of funding carried over to historically high levels.

Capital Carryover was largest in 2021 (deferred into 2022) at almost €820 million, and has since fallen to just over €520 million carried forward in 2024.¹³

- In 2021 over €819 million was deferred to 2022. This was 7.8% of the 2021 capital allocation.
- In 2023 over €520 million was deferred to 2024. This was 4.1% of the 2023 capital allocation.

¹² These statutory instruments can be found with the search term “Deferred surrender”.

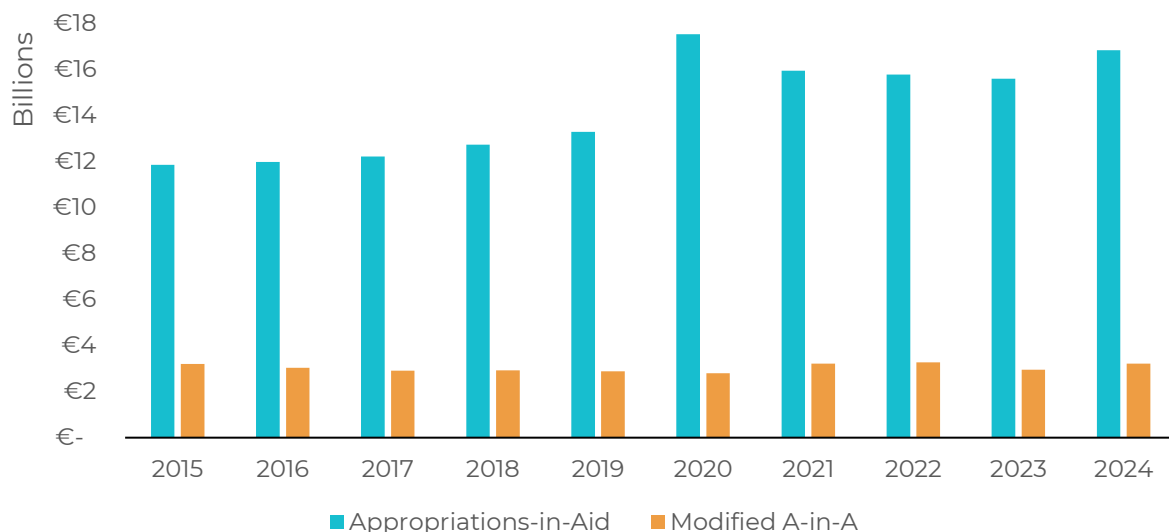
¹³ While €532 million carryover was provided for in the Appropriation Act. In both 2021 and 2022 the statutory instruments provided for carryover of lesser value than in the relevant Appropriation Act. It is likely this is due to the timing of the Appropriation Act (before year end), with some of the funds applied for deferred surrender being spent in-year. It would appear the same is taking place in respect of the 2023 carryover.

Appropriations-in-Aid (A-in-A)

Appropriations-in-Aid describe **own-generated revenue accruing to a Vote**. This revenue includes charges collected by Government Departments and Agencies for various services they provide such as processing passport applications, broadcasting licence fees etc. This income may be retained within the Vote and is offset against gross expenditure. A-in-A therefore affect the net allocation required for a Vote. Increases to A-in-A will reduce the funding required from the Central Fund, conversely, reduced A-in-A will necessitate that additional funds be provided from the Central Fund.

Figure 8 illustrates the recent trend in A-in-A. In 2020 there was a significant increase in A-in-A of almost €4,236 compared to 2019 levels. This can be explained by the significant increase in spending from the Social Insurance Fund (SIF) in 2020 in response to the pandemic (a year-on-year increase of €4.1 billion). **Spending from the SIF and the National Training Fund (NTF) are accounted for as an A-in-A.**

Figure 8: Appropriations-in-Aid



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024).

Figure 8 also illustrates a **modified A-in-A series**. This series **controls for the impact of the SIF and NTF on A-in-A**, providing a clearer view of trends in A-in-A over the period illustrated. Broadly speaking, A-in-A are largely unchanged over the period illustrated, with 2024 levels (over €3.2 billion) just €21.5 million greater than in 2015, an increase of 0.7%. These revenues hit their lowest level in 2020 (€2.8 billion) in line with the pandemic.

More detailed analysis of individual A-in-As would be required to determine why the income levels have remained broadly static over the period.

Votes Comprising the Majority of Spending Allocations in the Revised Estimates for Public Services 2024

Overview

This section focusses on the overall projections of spending for 2024 as presented in the *Revised Estimates for Public Services 2024*. As previously discussed (see Table 1, p.6), gross spending (set out in the Revised Estimates) in 2024 is projected to reach almost €96.663 billion. Of this, more than €13.6 billion is non-Voted expenditure and a further €376 million has yet to be allocated.

For the purposes of this paper, beyond the aggregate picture of projected gross spending, we will focus on spending associated with a small number of Votes which comprise the majority of spending as illustrated in Figure 9.

This figure illustrates that **just 8 Votes have allocations in excess of €2 billion**, with these Votes **having a total allocation of almost €70,178 million** (72.6% of the gross allocation (including currently unallocated funds)).

Figure 9: Gross Allocations 2024 (nearest € million)



Source: PBO based on *Revised Estimates for Public Services 2024*.
Note: Short form versions of Vote names used for clarity.

A shared feature of several of these Votes is that they are associated with significant levels of staffing. Together, the 2024 pay allocation for these Votes is €21.77 billion, over 85.4% of the total pay allocation for 2024.¹⁴

The Votes which comprise the majority of gross spending for 2024, and the non-Voted funds associated with them will be addressed thematically in the following pages. The PBO summaries of these thematic areas are laid out as follows:

- Gross spending under Vote 20 **Garda Síochána** is discussed at page 28,
- Gross spending in the **Education sector**, comprising Vote 26, Vote 45, and the National Training Fund are addressed together at page 29,
- Gross spending under Vote 31 **Transport** is discussed at page 33,
- Gross spending under Vote 34 **Housing, Local Government and Heritage** is discussed at page 34,
- Gross spending on **Social protection** under Vote 37 and Vote 37A (the Social Insurance Fund) are addressed together at page 39, and
- Gross spending under Vote 38 **Health** is discussed at page 42.

¹⁴ Department of Public Expenditure, NDP Delivery and Reform, *Revised Estimates for Public Services* (December 2023) p.19.

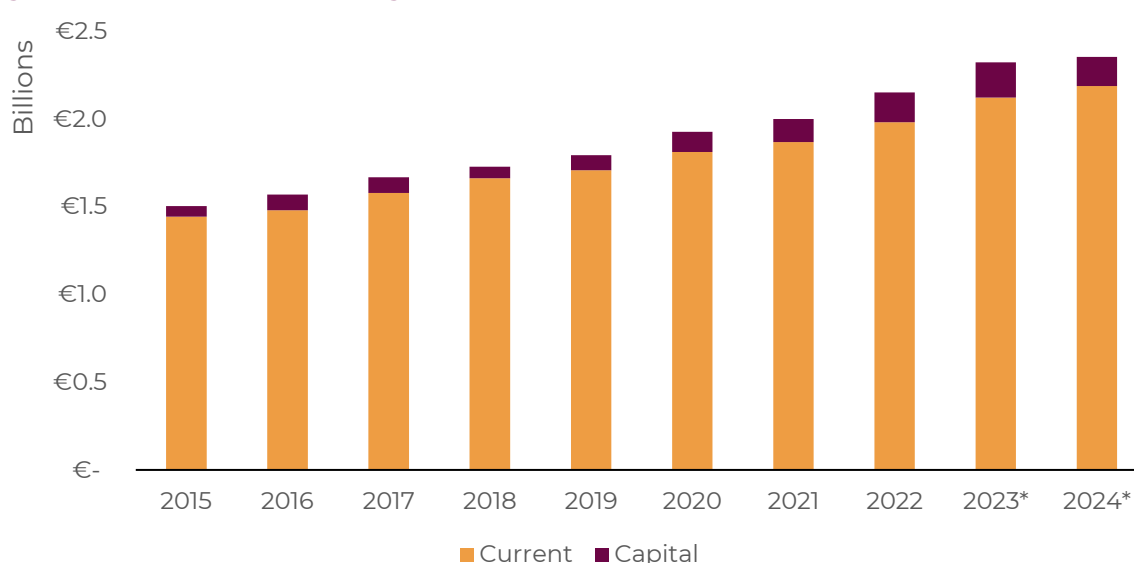
Spending Highlights 2024

Garda Síochána (Vote 20)

In 2024 a gross allocation of over €2,355 million has been provided for Vote 20 Garda Síochána. This is an increase of just over €31 million compared to the allocation for 2023.

Figure 10 shows gross spending on Vote 20 for the period 2015-2024. REV 2024 forecasts an underspend in Vote 20's capital allocation of €33.3 million, with €15 million being deferred to 2024 (see Capital Carryover (Deferred Surrender) p.21). This suggests that the balance of approximately €18 million will be surrendered to the Exchequer.

Figure 10: Gross Spending on Garda Síochána



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Note: 2023 and 2024 figures reflect the amounts allocated. In 2023, the forecast outturn suggests that €18.3 million (9.1%) of the capital allocation was not spent.

The Garda Síochána Vote has a single programme 'Working with communities to protect and serve', which contains 13 subheads. The two largest subheads are:

- A.1 Administration – Pay (€1,438.2 million), and
- A.8 Superannuation etc. (€458.1 million).

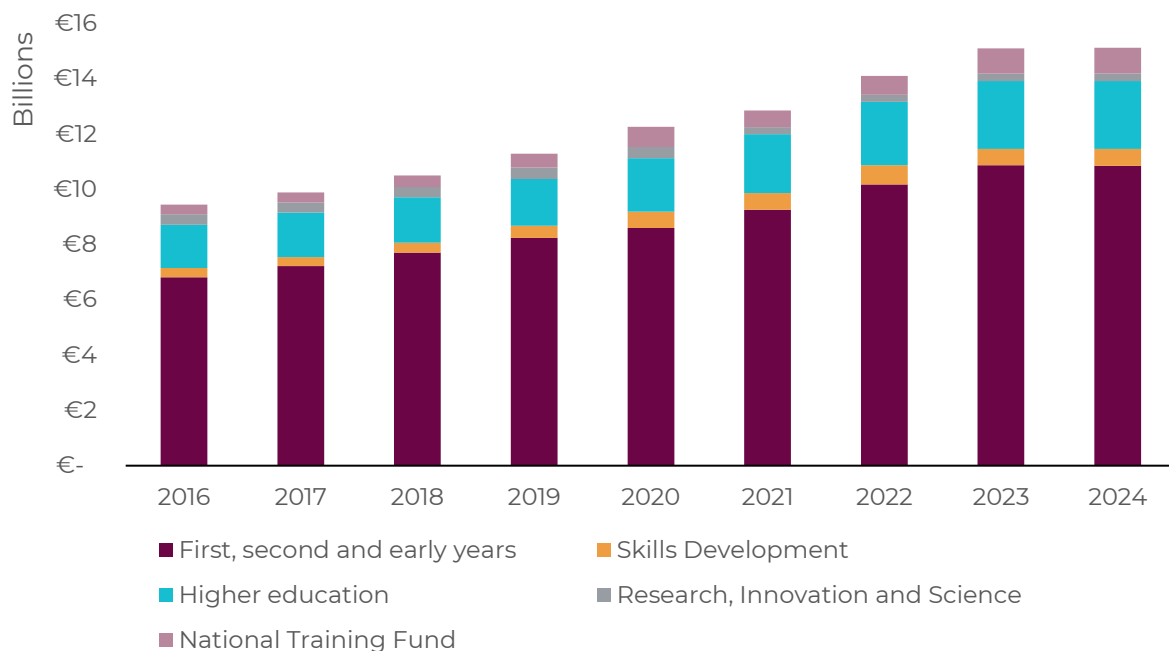
Together, these subheads reflect a majority of the Vote's 2024 allocation for pay and pensions (€1,930.4 million). Pay and pension costs represent almost 82% of the gross allocation for Vote 20.

Education Sector (Vote 26 and Vote 45)

A reconfiguration of Vote groups concerning education occurred in 2020 with Education and Skills (as part of Vote 26) and Business, Enterprise and Innovation (as part of Vote 32) each losing programmes to a new Vote (45) Further and Higher Education, Research, Innovation and Science (FHERIS). Vote 26 is now Education and Vote 32 is now Enterprise, Trade and Employment. The National Training Fund (NTF) has likewise moved from being associated with Vote 26 to Vote 45. The NTF is non-Voted but reflects a significant area of spending in 2023 (€909.4 million).

Votes 26 and 45 are discussed together here as they collectively relate to the education sector.

Figure 11: Gross Spending on Education (Votes 26 & 45)



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Overall, **the gross allocation for the Education Sector** (Vote 26, Vote 45, and the NTF) **in 2024 is just €19.6 million more than in 2023**, an increase of just 0.13%.

Education (Vote 26)

Vote 26 Education is presented under a single Programme - Programme A First, Second and Early Years' education. For 2024, a gross estimate of over €10,853 million has been allocated to Vote 26, reflecting 71.8% of the gross allocation for the Education sector.

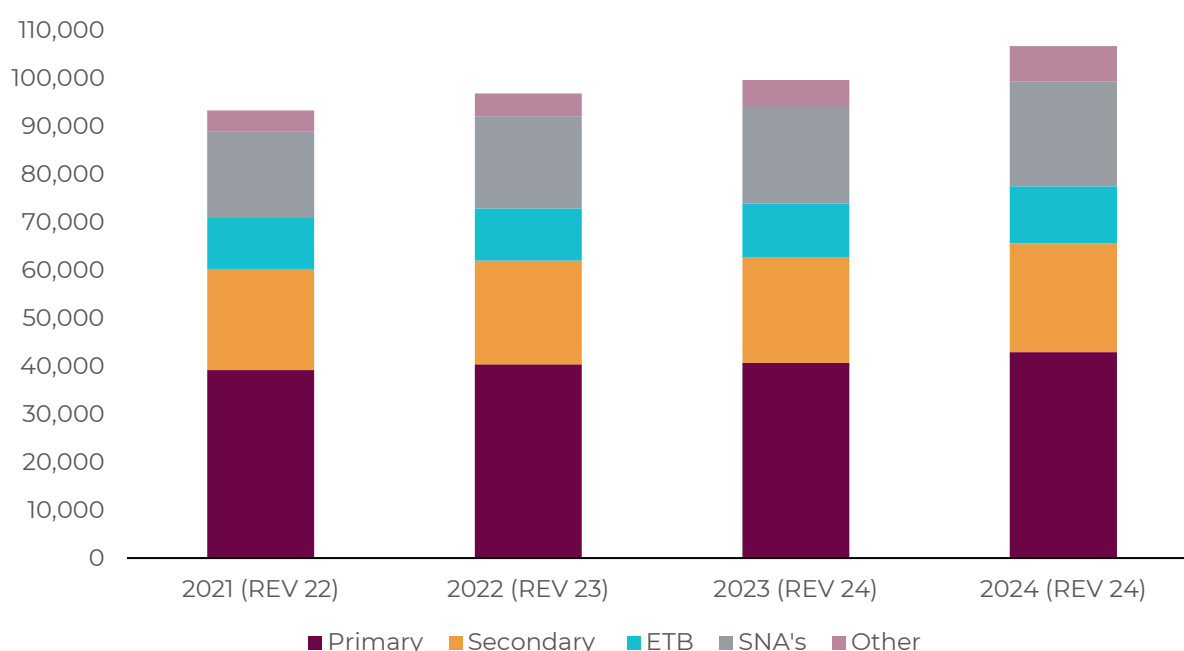
Staffing

The Education Vote's costs are predominantly associated with pay and pensions, these making up almost €8,651 million (79.7%) of the 2024 gross allocation.

In the *Revised Estimates for Public Services 2024*, the **employee headcount (number of people employed) for Vote 26 is projected to increase by 7,062 (+7%) in 2024**. Notwithstanding this substantial growth, the overall allocation to the Vote is decreasing marginally (down €21.4 million). The single largest reduction is a €323 million reduction in the allocation for A.15 Primary & Post Primary Infrastructure to €870 million in 2024.

Year-on-year, the allocation for pay & pensions is rising almost €604.7 million (+7.5%).

Figure 12: Staffing (headcount) in Vote 26



Source: PBO based on [Revised Estimates for Public Services 2022](#), [2023](#), and [2024](#).

The PBO has previously highlighted that greater clarity as to staffing allocations could be provided by way of an expanded set of context and impact indicators associated with the Education Vote in the Revised Estimates. For example, **these could set out overall teacher levels at primary and post-primary (ETB and non-ETB) as well as setting out the numbers of Special Education Teachers (SET) at the respective levels.**

Data on special education teachers (and SNAs) is tracked by the National Council for Special Education (NCSE); however, staffing of special education schools is not disaggregated by primary or post-primary school; however, the dataset is sufficiently detailed that this data could be produced. The PBO has extracted relevant summary data from NCSE datasets which is set out in Table 5.

Table 5 also shows the change in posts for SETs and SNAs compared to the previous iteration of the dataset, showing:

- A 13.3% increase in SET posts in 2024, and
- A 10.3% increase in SNA posts in 2024.

Teacher headcount in 2024 is projected to increase by 3,603 across primary level, secondary, comprehensive & community schools, and ETB schools.¹⁵ While direct comparison between the datasets may not be possible, it suggests that **approximately 15.5% of the planned increase in teaching posts are associated with Special Education Teachers**. Overall, this would reflect an increasing proportion of teaching roles being associated with Special Education. Assuming the datasets are broadly compatible, **SET posts are rising from ~5.7% of all teaching posts in 2023, to ~6.1% in 2024**.

Table 5: Staffing Allocations for 2023/2024

School Type	SET Posts (Year-on-Year change)	SNA Posts (Year-on-Year change)
Special Education Schools	1,391.0 (+80)	3,143.33 (+367.84)
Primary Schools	2,046.0 (+272)	13,113.60 (+1141.83)
Secondary Schools	1,308.5 (+205.5)	4,428.25 (+418)
Total	4,745.5 (+557.5)	20,685.18 (+1927.67)

Source: PBO based on National Council for Special Education, '[SET and SNA Allocations to Schools](#)' (13 December 2023).

The above analysis highlights that existing datasets can be utilised to add additional context to spending and staffing data set out in the *Revised Estimates for Public Services*. **The inclusion of summary data from such datasets can contribute to an enhanced link between spending and resources (staffing) provided.**

¹⁵ Department of Public Expenditure, NDP Delivery and Reform, *Revised Estimates for Public Services 2024* (2023) p.100.

Further and Higher Education, Research, Innovation and Science (Vote 45)

The gross estimated expenditure outlined for Vote 45 (FHERIS) in 2024, is almost €3,344 million and represents an increase of almost €31.7 million (or 1%) on the previous year. Three programmes sit within Vote 45:

- A – Skills Development,
- B – Higher Education, and
- C – Research, Innovation and Science.

Programme B (Higher Education) will account for ~73.4% of the gross spending projected in 2024.

In 2024, pay and pension costs for Vote 45 are projected to reach nearly €1,726.9 million, about 51.6% of the gross allocation of the Vote. As with Votes already discussed, this Vote has a substantial staffing contingent, with headcount in 2024 expected to reach 28,967 (an increase of 1,138 / 4% on 2023 levels).

Capital Spending in Votes 26 and 45 in 2024

Education (Vote 26) has a capital allocation of €940.4 million for 2024.

This is almost entirely associated with a single subhead 'A.15 Primary & Post Primary Infrastructure', with this subhead receiving €827 million (almost 88%) of the Vote's entire capital allocation. A second subhead 'A.16 Public Private Partnership Costs' receives a further €70 million of the capital allocation (7.4%).

Together, these subheads reflect €897 million of the Vote's capital allocation and are associated with targets for 150-200 school building projects and 800 school building projects requiring maintenance and smaller scale improvements.

More than €652 million in capital spending has been allocated to Vote 45 in 2024. An additional €40 million is available as a result of capital carryover, leaving ~€692.9 million at the disposal of the Vote for 2024.

Cumulatively, the gross capital allocation to the Education sector (Votes 26 and Vote 45 combined) exceeds €1,633.3 million in 2024 (including capital carryover).

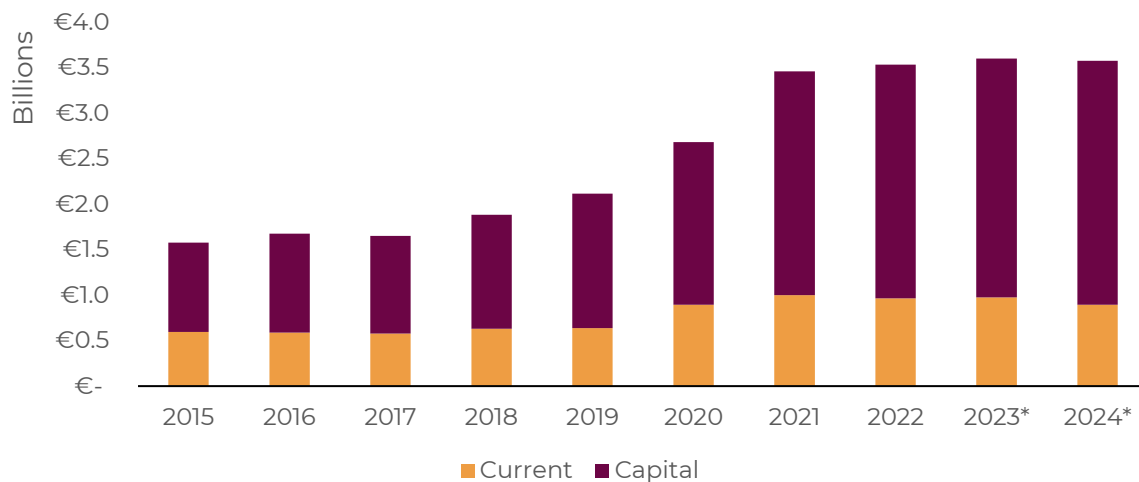
Transport (Vote 31)

In 2024 a gross allocation of almost €3,574 million has been provided for Vote 31 Transport. This is a reduction of almost €24 million compared to the allocation for 2023.

Figure 13 shows gross spending on Vote 31 for the period 2015-2024. Due to changes to the Vote structure over the period the PBO has attempted to control for this by removing spending associated with two programmes for the period 2015-2019.¹⁶

REV 2024 forecasts an underspend in Vote 31's capital allocation of almost €149.8 million, with the majority of this (€140.92 million) being deferred to 2024 (see Capital Carryover (Deferred Surrender) p.21). This suggests that ~€8.9 million of the Vote's 2023 capital allocation will be surrendered to the Exchequer.

Figure 13: Gross Spending on Transport



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Note: 2023 and 2024 figures reflect the amounts allocated. In 2023, the forecast outturn suggests that €8.9 million (0.3%) of the capital allocation was not spent.

Unlike many of the 'larger' Votes, Transport has significant capital spending, and reasonably small pay and pension costs, just €111.4 million (3.1%) of the 2024 allocation.

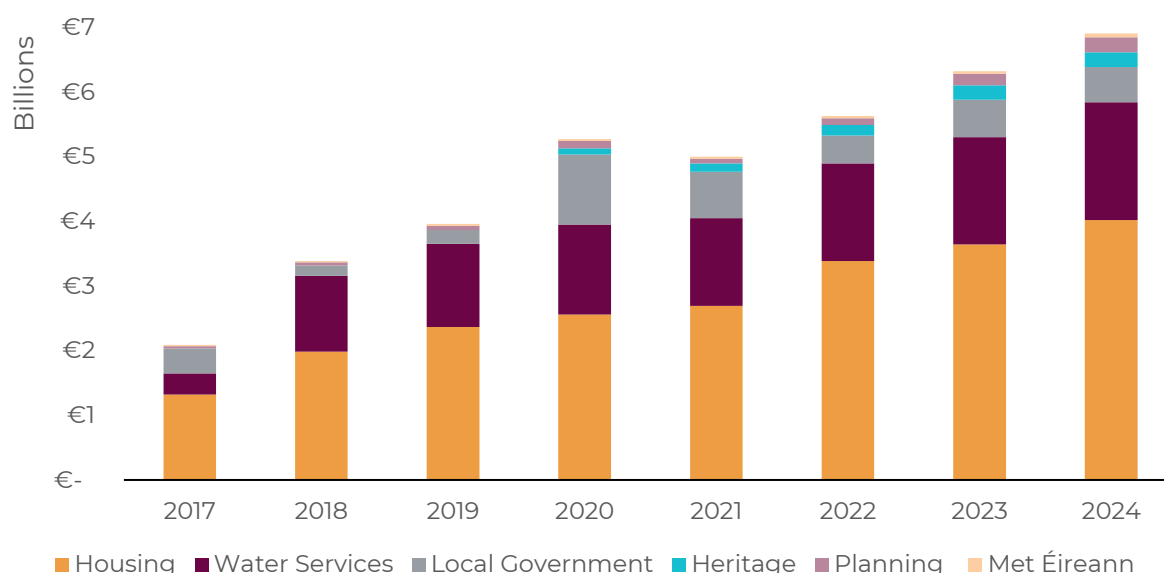
¹⁶ These programmes being Sports and Recreation Services, and Tourism Services.

Housing, Local Government and Heritage (Vote 34)

Vote 34 – Housing, Local Government and Heritage encompasses spending allocations across six Programme headings: Housing, Water Services, Local Government, Planning, Met Éireann, and Heritage. The Gross projected spend across the entire Vote in 2024 is €6,905.6 million - the fifth largest Vote by allocation (after Health, Social Protection, Education, and Children, Equality, Disability, Integration and Youth).

Pay & pension costs are not a significant component of the resourcing of Vote 34, as such, the proposed public sector pay deal is unlikely to necessitate significant additional resourcing needs in the event of its implementation. Further discussion of public sector staffing and pay in relation to Vote 34 can be found in a recent PBO publication.¹⁷

Figure 14: Spending in Vote 34



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024), Correspondence from the Department of Public Expenditure, NDP Delivery and Reform (13 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Figure 14 shows that spending on Vote 34 has grown considerably since 2017 (~€4.8 billion / 130.9%). In 2024, almost €437 million more has been allocated than in 2023. Relative to 2023 allocations, programme allocations in 2024 are:

- Housing +€256.2 million / +6.8%,
- Water Services +€157.1 million / +9.4%,
- Local Government -€31.2 million / -5.4%,
- Planning +€54.9 million / +30.7%,
- Met Éireann +€3.3 million / +5.9%, and

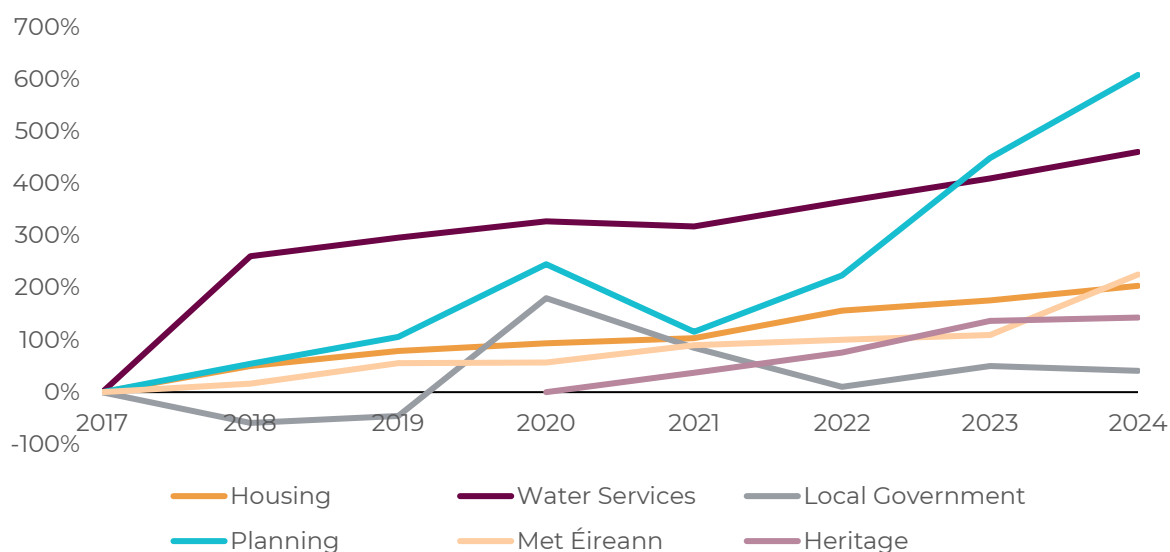
¹⁷ PBO, *Public Sector Staffing and Pay 2024* (January 2024).

- Heritage -€3.2 million / -1.4%.

Figure 15 shows how Programme allocations have developed since 2017 (2020 in the case of Heritage). Since 2017, the four most significant programmes (in terms of € allocation) have experienced the following changes (to the nearest million):

- Planning has increased €201 million / 608.1%,
- Housing has increased €2,696 million / 203.8%,
- Water Services has increased €1,498 million / 460.5%, and
- Local Government has increased €157 million / 40.6%.

Figure 15: Spending Developments since 2017 (or introduction of programme)



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024), Correspondence from the Department of Public Expenditure, NDP Delivery and Reform (13 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Note: Changes are tracked relative to 2017 levels where possible. The Heritage programme was added to Vote 34 in 2020, and therefore changes to funding of that programme are tracked relative to the 2020 level.

Figure 16 and Figure 17 show the growth of capital spending in Vote 34 in absolute and relative terms. **Capital spending has grown from €792.3 million in 2017 to an allocation of €3,888.3 million in 2024.** Figure 17 shows that the trend in growth of capital spending (as a % of total spending) was disrupted by the pandemic, due to the impact of public health restrictions on the delivery of capital projects. There has been a strong rebound from these levels, with **the 2024 allocation providing for 56.3% of the allocation to Housing, Local Government and Heritage being capital.**

Figure 16: Current and Capital Spending in Vote 34

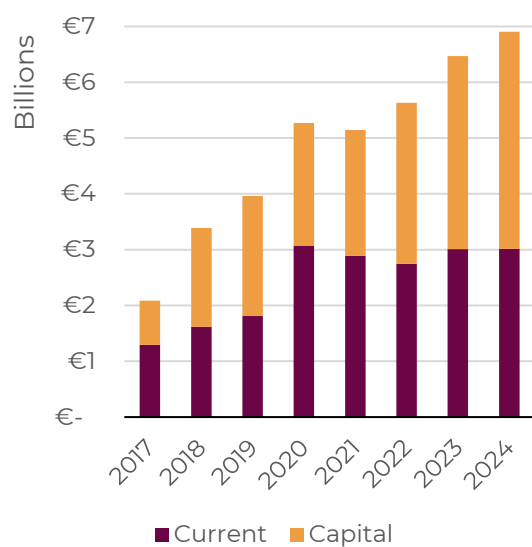
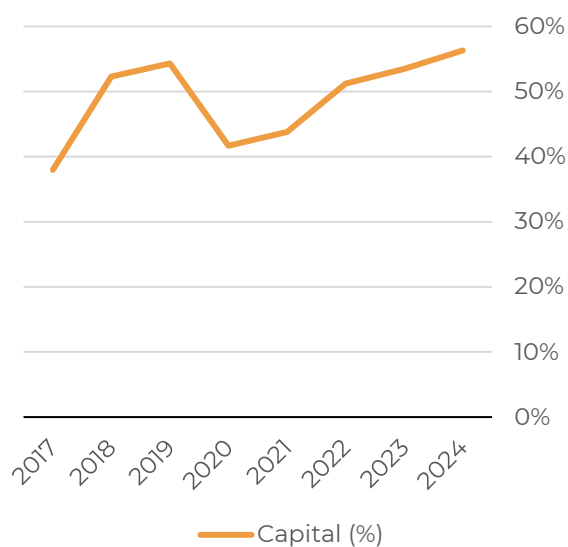


Figure 17: Capital Spending (% of total spending) in Vote 34



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 31 January 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Housing

The largest of the Vote's Programmes, Housing accounts for almost €4,019.6 million (58.2%) of the €6,905.6 million 2024 gross allocation. Gross capital spending on Housing in 2024 is projected to reach €2,536 million, an increase of €258.4 million (11.3%) on the 2023 allocation. In addition to this, the majority (€115 million) of the €141 million capital carryover for the Vote is associated with the Housing Programme.

This means that in excess of €2.65 billion is available for capital spending on the Housing programme in 2024.

Table 6 provides details of the resourcing of a group of subheads of the Housing programme that are grouped together for the purpose of **delivering Social Housing through build and acquisition programmes**. These subheads **reflect the majority of the capital allocation to the Housing programme (€1,931 million of €2,651 million)**.

Table 6: Social Housing Build and Acquisition 2024 Resourcing (€ millions)

Subhead	Allocation	Capital Carryover	Total
A.3 Local Authority Housing	€1,331	€95	€1,426
A.7 Capital Assistance Scheme	€140	-	-
A.11 Capital Advance Leasing Facility	€315	-	-
A.15 Estate Regeneration and Refurbishment	€50	-	-
Total	€1,836	€95	€1,931

Source: PBO based on *Revised Estimates for Public Services 2024* (December 2023).

In 2023 these subheads had a Voted allocation of €1,530.7 million, and a further €240 million available as capital carryover, resulting in €1,770.7 million being available for the delivery of Social Housing through build and acquisition programmes. **Year-on-year, this is an increase of €160.3 million (9%).**

Table 7 shows the two performance metrics associated with these subheads, the associated targets for 2023 and 2024, and how they compare. Table 7 shows that **the majority of the overall increase in the target for social housing delivery (1,500 additional units) is being driven by acquisition programmes, with just 200 additional units planned to be delivered through build programmes.**

Table 7: Social Housing Build and Acquisition Performance Metrics

Metric	2023 Output Target	2024 Output Target	Change (absolute & %)
Total no. of social housing units delivered through Social Housing build and acquisition programmes	9,300	10,800	+1,500 (+16.1%)
Total no. of social housing units to secure through all Build Programmes.	9,100	9,300	+200 (+2.2%)

Source: PBO based on *Revised Estimates for Public Services 2024* (December 2023).

Social Protection (Vote 37) and the Social Insurance Fund (Vote 37a)

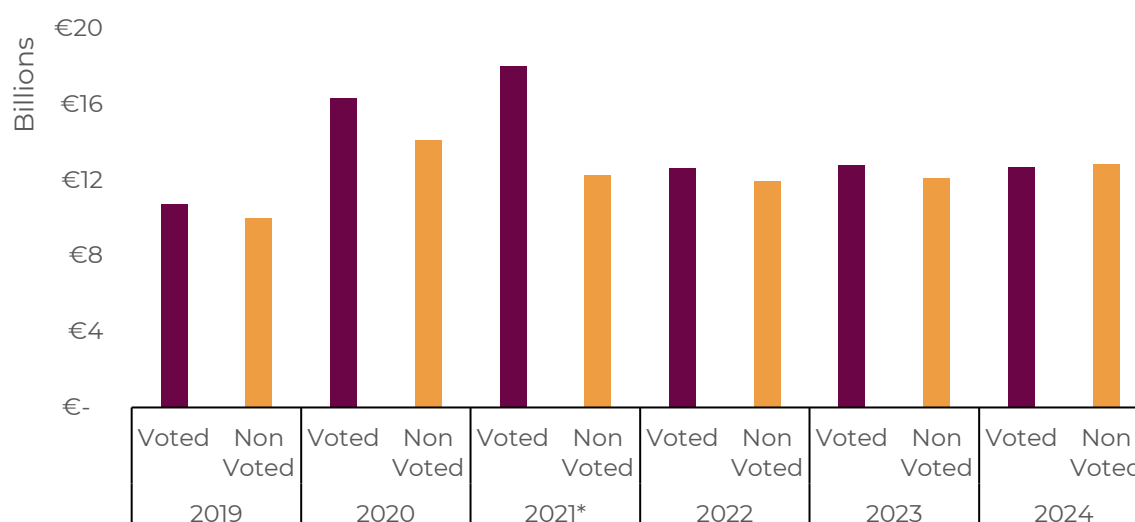
The projected spending in 2024 for Vote 37 - Social Protection is €25,579 million. Social Protection spending comprises the spending from the Vote (funded by the Central Fund and Appropriations-in-Aid) and spending from the Social Insurance Fund (SIF) (primarily funded by PRSI contributions). A transfer from the SIF to the Vote takes place most years to fund the administrative costs of administering SIF schemes.¹⁸ This transfer is accounted for as an Appropriation-in-Aid under the Vote. The PBO has previously published work on how the [SIF operates](#) and the [impact of COVID-19 on the Fund](#).

Gross social protection spending is the sum of:

- Gross Social Insurance Fund spending, and
- Gross Voted Spending – Administration expenses recovered from the SIF.

Figure 18 shows the breakdown of total social protection spending for the period 2019 to 2024. Total social protection spending in 2019 was ~€20,755 million but rose dramatically in 2020 in response to the pandemic – reaching almost €30,457 million.

¹⁸ The PBO will publish a short note on this topic in Q1 2024.

Figure 18: Social Protection (Voted) and SIF (non-Voted) Spending 2019-2024

Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 01 February 2024), Correspondence from the Department of Public Expenditure, NDP Delivery and Reform (13 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Note: Voted spending in 2021 exceeded €18 billion due, in part, to a €2.6 billion subvention to the SIF. This is a transfer of funds from the Vote to the SIF required when the SIF has insufficient resources. In 2021, over €14.7 was spent by the SIF but €2.6 billion of that originally came from the Vote.

Since its peak in 2020, total Social Protection spending has declined but still represents the largest component of Government Expenditure in 2024.¹⁹ The **total Social Protection allocation for 2024 is €25,579 million, 26.5% of the €96,663 million allocation for 2024** (inclusive of €376 million in funding yet to be allocated to specific Votes).

Social Protection Spending (Cost Groups)

Vote 37 and the SIF are not structured along clear programme lines. Instead, costs are grouped under particular headings (hereafter Cost Groups). These Cost Groups bundle similar social protection schemes together e.g., various pension schemes form the Pensions Cost Group.

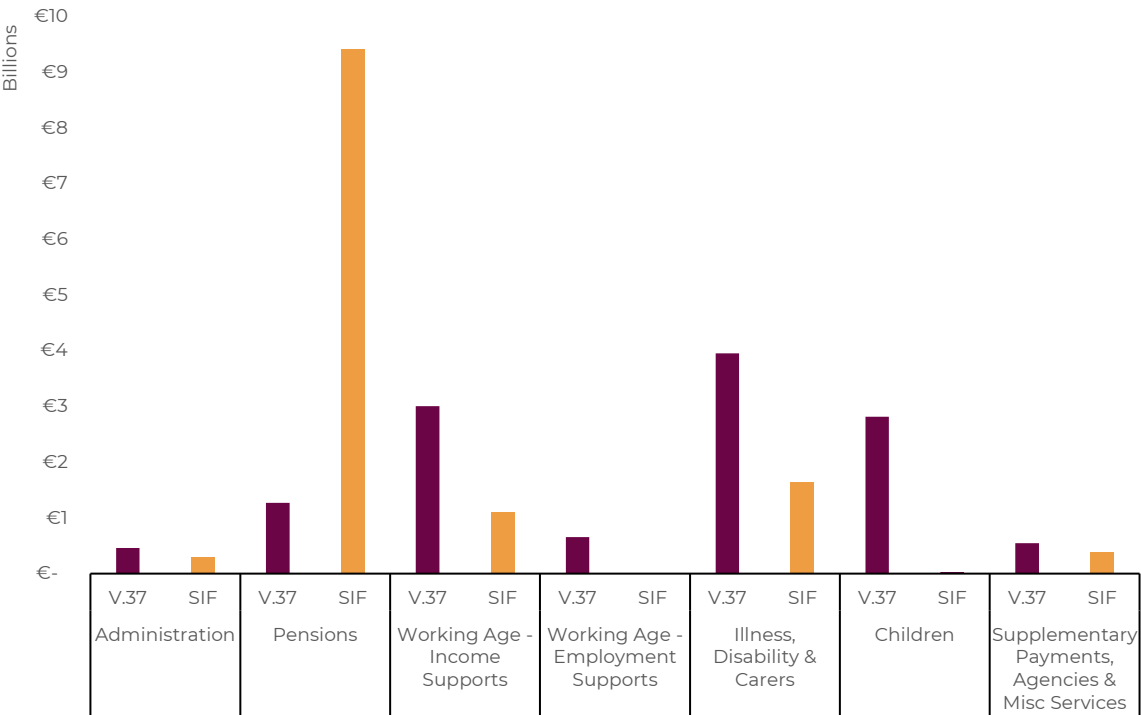
Figure 19 shows that **spending on social protection in 2024 is highly concentrated in two Cost Groups**, specifically (to the nearest million):

- Pensions (€10,685 million), and
- Illness, Disability and Carers (€5,600 million).

Together **these Cost Groups represent 63.7% of gross Social Protection spending provided for in 2024.**

¹⁹ See [Ministers and Secretaries \(Amendment\) Act 2013](#).

Figure 19: Social Protection Spending (Cost Group) (2024)



Source: PBO based on the *Revised Estimates for Public Services 2024* (December 2023).

The **SIF is currently forecast to run a healthy surplus in 2024 of ~€4.1 billion, up from ~€3.5 billion in 2023**; however, **SIF spending in 2024 is projected to be almost €560 million greater than in 2023**.

As Ireland’s population ages, the ratio of workers (contributing to the SIF) will decline relative to the number of persons dependant on the SIF. This projection implies significant future pressure on the SIF – with greater levels of spending and proportionately fewer contributors to the system. Beyond the mere demographic pressure, the system is further vulnerable in the event of future economic downturns where the SIF would suffer the additional loss of contributors and increased spending on benefits such as unemployment benefit. These risks have driven ongoing discussions about reform or Ireland’s pension system in particular.²⁰

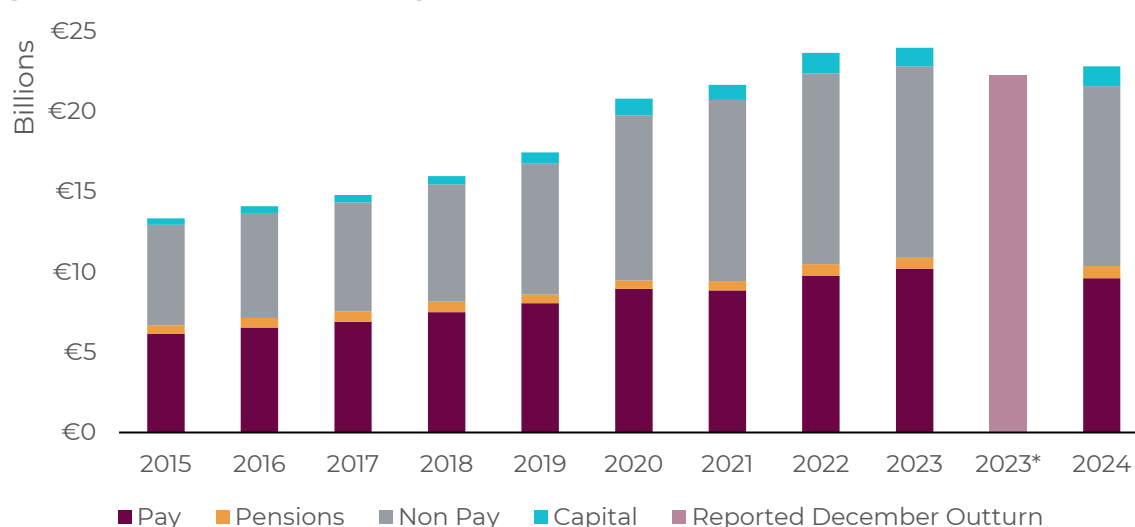
²⁰ See also PBO, [An Analysis of Government Expenditure on Irish State Pensions](#) (2023).

Health (Vote 38)

Vote 38 Health sets out the Voted allocation to the Department of Health which then allocates funds to the Health Service Executive (HSE) in a letter of determination.²¹ The gross spending of Vote 38 for 2024 is more than €22,821 million. **The Health Vote comprises the single largest component of Voted spending (27.6%),** and is second only to Social Protection in terms of Government Expenditure.²²

Figure 20 illustrates that the growth in allocations and spending under Vote 38 over the period 2015-2024 have been primarily in the areas of Pay and Non-Pay; however, during the pandemic (2020 onwards) there has been significant growth in Non-Pay and Capital.

Figure 20: Health Spending 2015-2024



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 01 February 2024), Correspondence from the Department of Public Expenditure, NDP Delivery and Reform (13 February 2024), and Department of Finance, [Fiscal Monitor: December 2023](#) (January 2024).

Spending on pay is a significant component of health spending, with Health having the largest public sector workforce of any Vote. The Health Vote is expected to **reach a headcount of 127,490, an increase of 2,262 additional public sector workers** (an increase of approx. 1.8%).

The 2024 pay provision is €9,624 million, down from €9,739 million in 2023. It is unclear how pay costs will decline alongside an increased headcount and the potential implications of the proposed [Public Service Agreement 2024-2026](#).

²¹ PBO, [The HSE National Service Plan and its Relationship with the Health Vote](#) (2018).

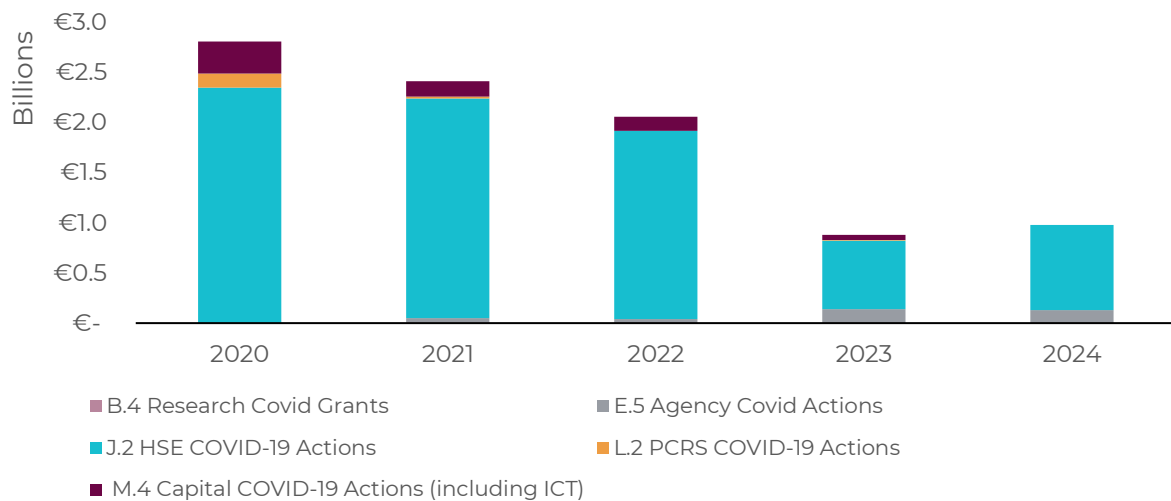
²² See [Ministers and Secretaries \(Amendment\) Act 2013](#).

COVID-19 and Health Spending

The COVID-19 pandemic has had a major impact on many facets of Exchequer spending since 2020, with considerable levels of funding being directed to mitigate the impact of the pandemic on public health.

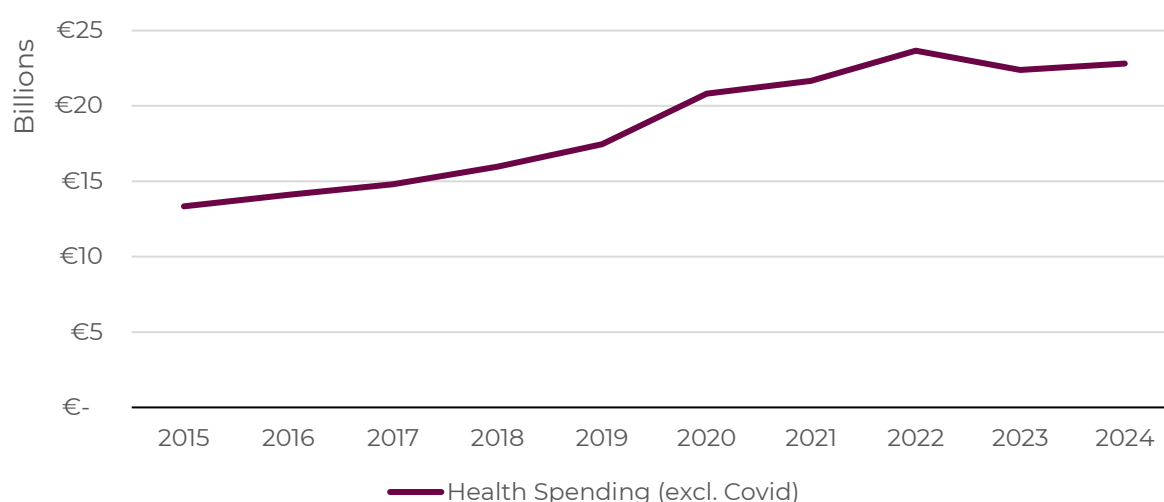
Figure 21 shows the allocations to Vote 38 that are explicitly related to COVID-19. These COVID measures have fallen from 13.5% of Vote 38's gross outturn (2020) to just 3.9% of projected gross spending in 2023. While a number of these COVID specific subheads have been discontinued, there's a sizeable increase in funding to J.2 HSE Covid-19 Actions in 2024 compared to 2023 (+€168.4 million / 24.7%). **COVID specific subheads make up 4.3% of the gross allocation in 2024, an increase over 2023 levels.**

Figure 21: COVID related Health Spending 2020 to 2024



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 01 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Figure 22: Health Spending (excluding COVID spending)



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 01 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

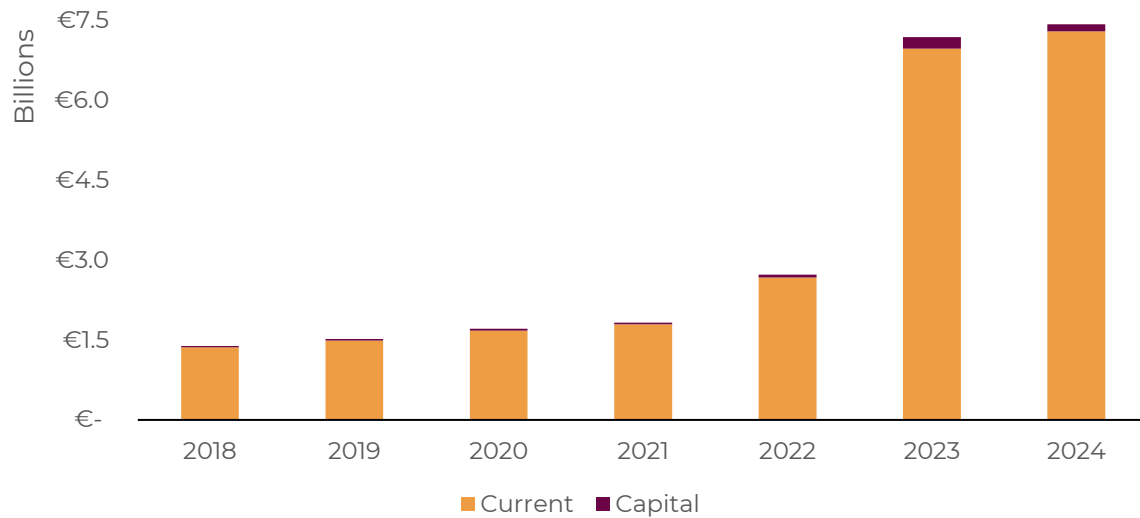
Figure 22 shows the recent trend in health spending (since the disestablishment of the HSE Vote). The impact of the pandemic is clear – suggesting that the pandemic had significant resourcing implications beyond those explicitly identified in specific subheads. **A likely driver of this is pay costs, which rose almost €888 million in 2020 alone (an increase of 11% in a single year).**

It should be noted that an apparent easing of growth in health spending in 2023 and 2024 is at least partly attributable to the transfer of functions in relation to Disability from Health (Vote 38) to Children, Equality, Disability, Integration and Youth (Vote 40) in 2023.

Children, Equality, Disability, Integration and Youth (Vote 40)

In 2024 the gross allocation for Children, Equality, Disability, Integration and Youth (CEDIY) is more than €7,428 million. Figure 23 shows that the vast majority of the spending of this Vote is current.

Figure 23: Gross Spending by Current/Capital



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 01 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

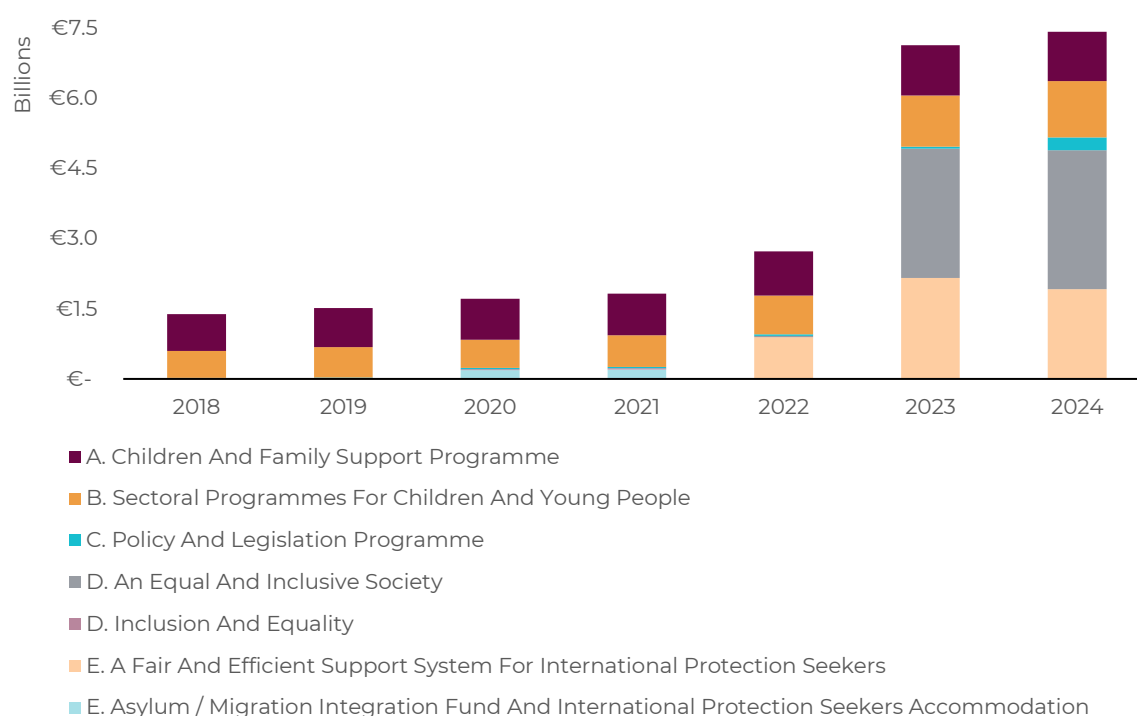
Figure 24 shows that Vote 40 has undergone quite a number of developments in recent years, most significantly, with a ramping up of resourcing of Programme D An Equal and Inclusive Society in 2023. This relates to the transfer of functions from Health to CEDIY in respect of Disability.

Vote 40 has grown to one of the largest in 2023 and 2024, making up:

- 8.9% of the Voted allocation for 2024 (inclusive of the as yet unallocated funds), or
- 7.7% of the total gross spending (Government Expenditure)²³ projected for 2024 (inclusive of SIF and NTF spending).

²³ See footnote 1.

Figure 24: Gross Spending by Programme



Source: PBO based on Department of Public Expenditure, NDP Delivery and Reform, 'Databank' (Accessed 01 February 2024), Correspondence from the Department of Public Expenditure, NDP Delivery and Reform (13 February 2024), and *Revised Estimates for Public Services 2024* (December 2023).

Figure 24 shows that growth in the three core programmes of the Vote (these comprised 100% of the Vote in 2018) have experienced relatively modest growth to 2024, increasing from ~€1,387 million to ~€1,518 million. This increase of ~€131 million (9.4%) pales in comparison to the growth in allocation arising from the inclusion and expansion of additional programmes. **Comparing 2018 spending to the 2024 gross allocation:**

- Increases to core programmes (A, B, and C) amount to ~€131 million, or 2.6% of the total increase, and
- Programmes (D+E) amount to ~€4,893 million, or 97.4% of the total increase.

These developments show the expanding role of this Vote over time, with the programmes initially core to its function now representing just 20.4% of the 2024 gross allocation.

Appendices

Appendix 1: Capital Spending in 2024

The table below gives a comprehensive overview of projected capital spending for 2024, including monies originally allocated in 2023. This appendix relies on information published in the *Revised Estimate for Public Services 2024*. However, **the PBO has noted internal inconsistencies in the REV (as originally published) and an apparent discrepancy with the *Appropriation Act 2023* – this is discussed further in Appendix 2.**

REV 2024 was subsequently republished, making it clear that capital carryover was €11.95 million lower than provided for in the [Appropriation Act 2023](#).

Table 8: Capital Resourcing 2024 (€000)

Vote	Capital Allocation 2024	Capital Carryover
7. Office of the Minister for Finance	€1,100	€110
9. Office of the Revenue Commissioners	€33,900	-
11. Public Expenditure and Reform	€695	-
13. Office of Public Works	€288,000	-
16. Tailte Éireann	€4,795	-
17. Public Appointments Service	€2,000	-
18. National Shared Services Office	€10,000	€1,200
20. Garda Síochána	€165,857	€15,000
21. Prisons	€30,500	-
22. Courts Service	€67,514	€1,000
24. Justice	€10,129	€1,400
25. Irish Human Rights and Equality Commission	€100	-
26. Education	€940,400	-
27. International Co-Operation	€750	-
28. Foreign Affairs	€24,250	-

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29. Environment, Climate and Communications	€987,750	€1,800
30. Agriculture, Food and the Marine	€318,300	€46,000
31. Transport	€2,679,450	€140,920
32. Enterprise, Trade and Employment	€866,040	€20,000
33. Tourism, Culture, Arts, Gaeltacht, Sport and Media	€249,384	€21,480
34. Housing, Local Government and Heritage	€3,888,300	€141,000
36. Defence	€176,000	-
37. Social Protection	€16,000	-
38. Health	€1,234,030	€70,000
39. Office of Government Procurement	€581	€115
40. Children, Equality, Disability, Integration and Youth	€134,720	-
42. Rural and Community Development	€210,001	€20,000
43. Office of the Government Chief Information Officer	€22,472	-
45. Further and Higher Education, Research, Innovation and Science	€652,848	€40,091
Totals	€13,015,866	€520,116

Source: PBO based on *Revised Estimates for Public Services 2024* (December 2023) p.18.

Appendix 2: Reconciliation of Revised Estimates for Public Services 2024 and Appropriation Act 2023

The *Revised Estimates for Public Services 2024* detail €520.116 million in capital carryover, this is €11.95 million less than provided for in the *Appropriation Act 2023* (€532.066 million).

Table 9 shows that the difference is explained entirely by a reduction in capital carryover associated with several votes within the Justice Vote Group.

The *Revised Estimates for Public Services 2024* was subsequently republished, making it clear that the reduction in capital carryover was not an error but reflected lower levels of capital carryover than provided for in the *Appropriation Act 2023*.

This may suggest that the Justice Vote Group were able to utilise more of their 2023 capital allocation than they had anticipated when the Appropriation Bill 2023 was initiated.

Table 9: Reconciliation of REV 2024 & Appropriation Act 2023 (€000)

Vote	Revised Estimates	Appropriation Act	Difference
20. Garda Síochána	€15,000	€18,300	€3,300
21. Prisons	€0	€2,950	€2,950
22. Courts	€1,400	€1,413	€13
24. Justice	€1,000	€6,687	€5,687
Total	€17,400	€29,350	€11,950

Source: PBO based on Revised Estimates for Public Services 2024 (December 2023) p.18, and [Appropriation Act 2023](#) (December 2023).

The PBO suggests that clear versioning of the *Revised Estimates for Public Services* and other key documents in the budgetary cycle be implemented. Versions as published would ideally state on the cover the version (starting at v.1.0) with each subsequent republication increasing the version number (v.1.1, v.1.2, etc.) as well as the date on which the revised version has been published.

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