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An Oifig Buiséid Pharlaiminteach
Parliamentary Budget Office
**Capital Carryover and Surrendered
Funds 2014-2025**

Publication 11 of 2025

Séanadh

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Is de chineál ginearálta í an Fhaisnéis. Baineann éiginnteacht le ráitis réamhbhreathnaitheacha agus d'fhéadfadh go dtiocfaidh nithe suntasacha chun cinn mar thoradh ar an bhFaisnéis. Ní sholáthraítear ráiteas cinntitheach leis an bhFaisnéis i ndáil le haon saincheist ar leith nó i ndáil le himthoisc phearsanta. Ní comhairle atá san Fhaisnéis. Ní mór a dheimhniú duit féin go bhfuil an Fhaisnéis a sholáthraimidne, an Oifig Buiséid Pharlaiminteach agus Coimisiún an Oireachtais (lena n-áirítear seirbhísigh, gníomhairí agus conraitheoirí na hOifige agus an Choimisiúin) oiriúnach agus iontaofa. Ní ghlacaimid aon fhreagracht as cruinneas ná oiriúnacht, ná eile, na Faisnéise agus ní thugaimid aon ráthaíocht ná aon ghealltanas ná aon bharánta i leith an chéanna; ná go mbeidh ár leathanaigh ghréasáin nó an Fhaisnéis nó ábhar eile saor ó earráidí, saor ó víris nó saor ó shárú. Ní ghlacaimid aon dliteanas (lena n-áirítear i leith éilimh maoine intleachtúla) a eascróidh as aon ábhar tríú páirtí nó aon suíomh gréasáin tríú páirtí a gcuirfimid nasc ar fáil chuige nó dá ndéanfaimid tagairt. Ní ghlactar le haon dliteanas ar bith, a mhéid is mó a cheadaítear faoin dlí is infheidhme nó (i) as aon iontaoibh a chuirfear san Fhaisnéis nó san ábhar ar ár leathanaigh ghréasáin nó (ii) as aon chaillteanas nó damáiste a eascróidh as an úsáid a bhainfidh tú as na leathanaigh ghréasáin sin nó i dtaca leis an úsáid sin. Féach ár [bhFógra Séanta cuimsitheach anseo](#). I gcás aon easaontacht a bheith idir an Séanadh seo agus ár bhFógra Séanta cuimsitheach, is ag an gceann deireanach a bheidh an forlámhas.

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1. Introduction

This short paper provides an overview of trends in capital carryover (deferred surrender) and surrendered funds for the period 2014 to 2025. The PBO has collated this information to show how the amount of carryover and surrendered funds has changed over time, especially during the Covid period. These issues highlight concerns of how to track spending and identify performance. This information is not collated elsewhere. In that timeframe:

- Capital carryover totalled almost €3,574 million, and
- Surrendered funds totalled €10,926 million.

In the annual budget process, Votes (Government Departments, and other significant Public Sector Bodies) are given a Voted allocation (effectively a permitted spending ceiling). This paper discusses what happens with the balance of the allocation that has not been used by the end of the year (the surplus).

From the surplus, where possible, Votes will typically seek to carryover unspent capital allocations; however, there is often a balance remaining either of current funds or capital funds which cannot be carried over. This surplus must be surrendered (returned) to the Exchequer (Central Fund).¹ This can be seen in Appendix 1.

Capital carryover (deferred surrender) is money allocated in one year which is carried over (deferred) to the subsequent year.² The annual Appropriation Act provides for carryover to the coming year i.e. the [Appropriation Act 2024](#) provides for money allocated originally in 2024, to be deferred/carried over, and spent in 2025.

¹ PBO, [An Overview of the Central Fund: What it is & how it operates](#) (2023).

² PBO, [Capital Carryover \(Deferred Surrender\) 2022](#) (2022).

2. Capital Carryover (Deferred Surrender)

Capital carryover refers to unspent capital allocations from one year (e.g., 2024) which may be permitted to be spent in the following year (e.g., 2025). 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 amounts 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. Carryover is accounted for as a first charge³ which requires that the carried over funds are used first in the subhead to which they are allocated before any other funds can be spent in those areas. Importantly, the “deferred surrender does not have to be applied to the same capital subheads in which the under spends occurred.”⁴

2.1. Capital Carryover in 2025

Capital carryover in 2025 amounts to ~€193 million across 10 Votes.⁵ Along with the capital allocations assigned in the REV (€14,841 million),⁶ the capital carryover will take projected gross Vote capital spending in 2024 to €15,033.6 million. The final carryover figure is set out in a Statutory Instrument, published the year after.⁷

Figure 1 illustrates that while a carryover of some level has occurred in every year (2014 to 2024), constraints in delivery primarily as a result of COVID-19 restrictions which are evident in 2020 and 2021 have brought the level of funding carried over to historically high levels. Since 2021 capital carryover levels have decreased but remain substantial compared to pre-pandemic levels.

³ Department of Public Expenditure and Reform, ‘[Public Financial Procedures](#)’ (Accessed January 2025).

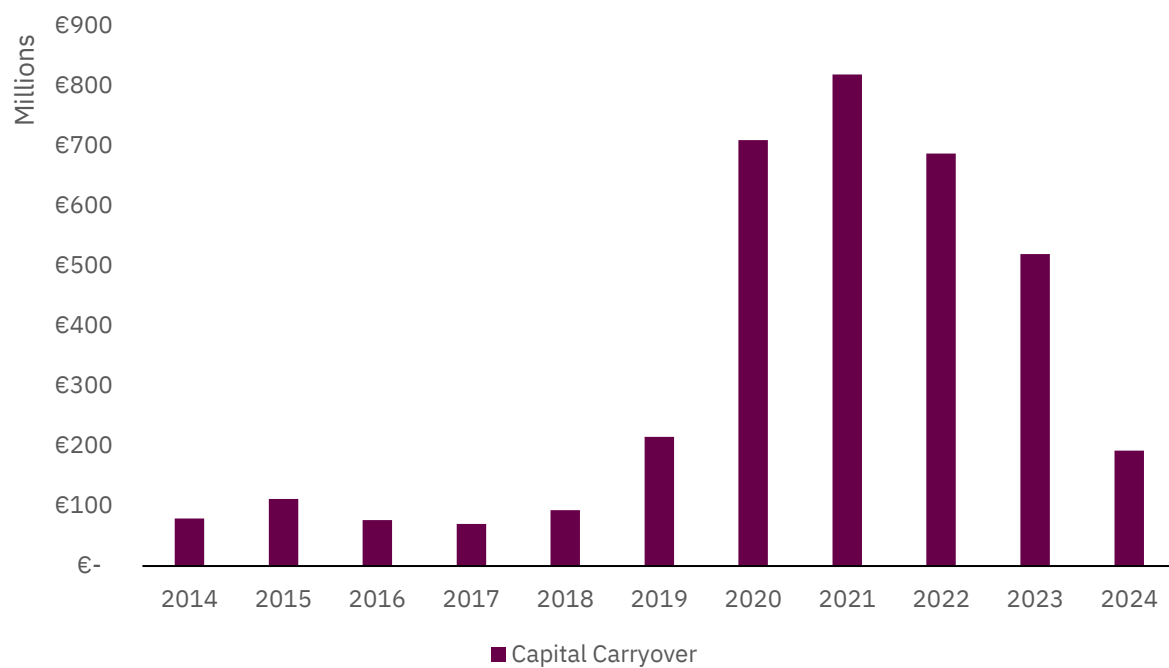
⁴ Department of Finance, ‘[Circular 28/04: Implementation of Deferred Surrender of unspent capital under Multi-Annual Capital Envelopes](#)’ (October 2004).

⁵ S.I. No. 44/2025 - Finance Act 2004 (Section 91) ([Deferred Surrender to Central Fund](#)) Order 2024.

⁶ Department of Public Expenditure and Reform, [Revised Estimates for Public Services 2025](#).

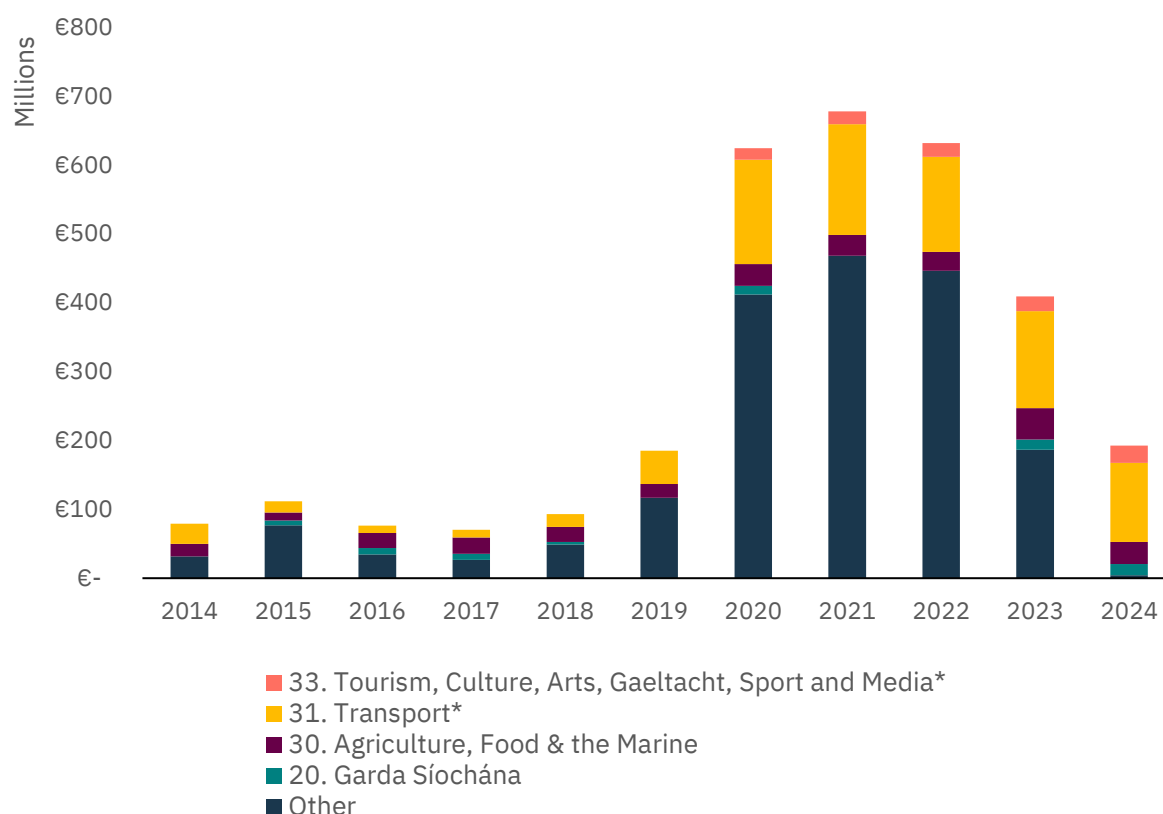
⁷ S.I. No. 44/2025 - Finance Act 2004 (Section 91) ([Deferred Surrender to Central Fund](#)) Order 2024.

Figure 1: Capital Carryover 2014 to 2024



Source: PBO based on [various Statutory Instruments](#) (2014-2025).⁸

⁸ These statutory instruments can be found with the search term “Deferred surrender”.

Figure 2: Capital Carryover (selected Votes)

Source: PBO based on [various Statutory Instruments](#) (2014-2025).⁹

Note: Votes marked with an asterisk have undergone some degree of restructuring.

Previously, Vote 34 (Housing, Local Government and Heritage), Vote 38 (Health), and Vote 45 (Further and Higher Education, Research, Innovation and Science) have been the main contributors to capital carryover. However, for 2024, none of these Votes contributed for the first time since 2018.

Figure 2 illustrates that capital carryover is highly concentrated in a small number of Votes. 10 Votes have capital carryover from 2024 to 2025; however, just 3 Votes represent €171.8 million (89.27%) of that total. These Votes are:

- **Vote 30: Agriculture, Food and the Marine:** €31.8 million (16.52% of total capital carryover in 2024),
- **Vote 31: Transport:** €115.3 million (59.87% of total capital carryover), and

⁹ These statutory instruments can be found with the search term “Deferred surrender”.

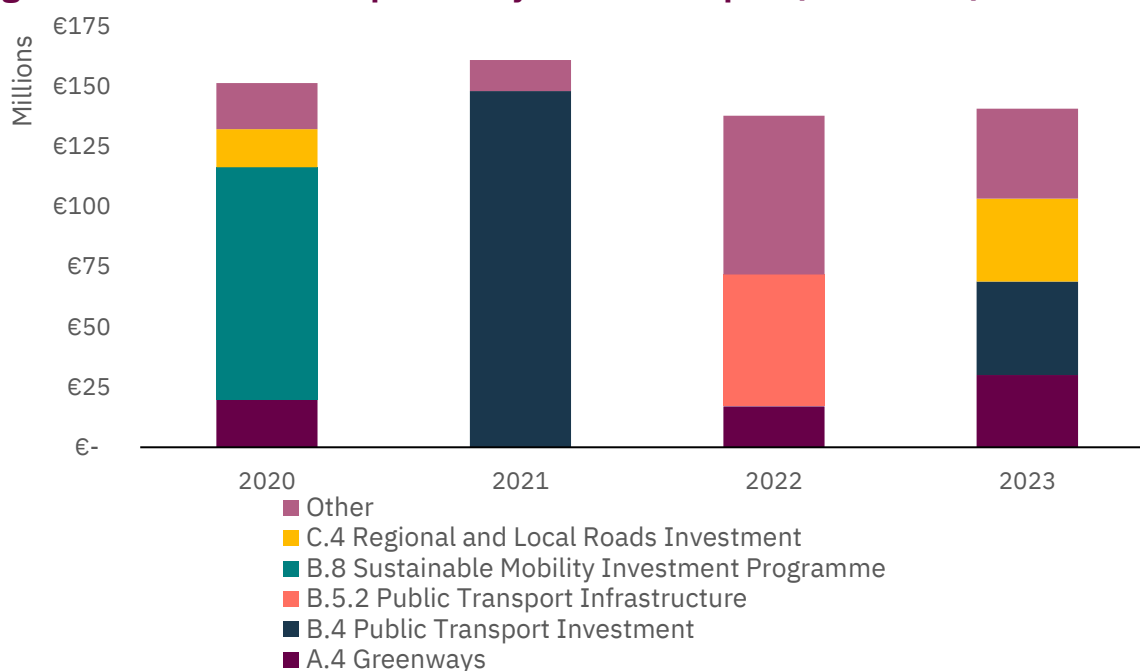
- **Vote 33: Tourism, Culture, Arts, Gaeltacht, Sport and Media:** €24.8 million (12.88% of total capital carryover).

2.2. Capital Carryover in Focus: Transport

Since 2014 Transport has accounted for ~€840 million of capital carryover, this is 23.5% of the €3,589 million total. Most of this has been since 2020, with ~€706 million carried by the Vote between 2020 and 2024. Figure 3 shows a breakdown of the programmes within Transport with the highest capital carryover.

- B.4 Public Transport Investment had the highest carryover, totalling **€187.2 million**,
- A.4 Greenways has the third highest carryover, with a total of €67 million. It is worth noting that, **the subhead had carryover in three of the last four years.**

Figure 3: Breakdown of Capital Carryover in Transport (2020-2023)



Source: PBO based on [various Statutory Instruments](#) (2021-2024).¹⁰

Note: Programmes with Capital Carryover of over €50 million over the four-year period were selected, remaining programmes were classified as other. 2024 data was not available at the time of publication.

¹⁰ These statutory instruments can be found with the search term “Deferred surrender”.

Table 1 gives a comprehensive overview of projected capital spending for 2025, including monies originally allocated in 2024, reaching some €15.03 billion total.

Table 1: Summary of Capital Monies Available in 2025 (€000)

Vote	Service	Capital Allocation 2025	Capital Carryover from 2024
7	Office of the Minister for Finance	1,100	110
9	Office of the Revenue Commissioners	38,306	
11	Public Expenditure, National Development Plan Delivery and Reform	795	
13	Office of Public Works	330,000	
16	Tailte Éireann	5,795	479
17	Public Appointments Service	1,500	200
18	National Shared Services Office	10,000	1,000
20	Garda Síochána	173,100	16,586
21	Prisons	53,000	
22	Courts Service	67,541	
24	Justice	16,359	
25	Irish Human Rights and Equality Commission	100	
26	Education	1,391,600	
27	International Co-Operation	750	
28	Foreign Affairs	34,250	
29	Environment, Climate and Communications	1,199,310	
30	Agriculture, Food and the Marine	334,583	31,800
31	Transport	2,882,729	115,253
32	Enterprise, Trade and Employment	636,179	
33	Tourism, Culture, Arts, Gaeltacht, Sport and Media	292,199	24,788
34	Housing, Local Government and Heritage	4,554,378	
36	Defence	215,000	
37	Social Protection	17,000	1,380
38	Health	1,460,250	
39	Office of Government Procurement	300	

40	Children, Equality, Disability, Integration and Youth	146,800	
42	Rural and Community Development	235,000	
43	Office of the Government Chief Information Officer	23,200	
45	Further and Higher Education, Research, Innovation and Science	695,020	
45A	National Training Fund	25,000	900
Total (€)		€14,841,144	192,496
Total (%)		98.6%	1.4%

Source: PBO based on the Department of Public Expenditure, NDP Delivery and Reform, [The Revised Estimates for Public Services 2025](#) (December 2024) and; S.I. No. 44/2025 - Finance Act 2004 (Section 91) ([Deferred Surrender to Central Fund](#)) Order 2024.

3. Accounting for Capital Carryover

Capital carryover presents a challenge in terms of consistent and clear reporting of spending. Capital carryover is brought forward into the new year as a first charge ([Section 91\(5\) of the Finance Act 2004](#)).

The treatment of capital carryover, as distinct from the in-year allocation, can cause some issues in terms of tracking spending, calculating variance, and understanding performance. These issues are:

3.1. Tracking Spending

In the Revised Estimates for Public Services (REV) capital carryover is treated as part of the outturn in the year of initial allocation.

For example, in REV 2024, a total of ~€13,015 million was allocated for capital spending in 2024. However, a further €519 million was deferred from 2023 to 2024, meaning total capital spending provided for in 2024 was ~€13.54 billion.

The Fiscal Monitor series of publications are used to report spending each month (outturn), against anticipated levels (profile), with the difference being reported as variance. In the Fiscal Monitor 2024 series, it is clear that the profile is based on the Gross Voted Capital allocation for 2024 (rounded up to €13.016 billion). It should be noted that the carryover amount is known by year end so could be incorporated into the figures, in advance of the SI being approved.

It is noted in the publications that the capital profile (monthly estimates of spending) excludes the capital carryover into that year. This has potentially significant implications, particularly as the levels of capital carryover in recent years have grown considerably (see Figure 1).

The manner in which information is displayed in different tables is illustrated in Figure 4, Figure 5 and Figure 6. **A revised approach may be required to more clearly reflect capital carryover within Budgetary documents. Moreover, it is important that capital carryover be reflected in capital spending profiles in the Fiscal Monitor.**

The **limitations of the current approach** (see Efficiency in Focus: Transport below) have been highlighted by the significant growth in capital carryover, particularly arising following the pandemic. Modified presentation of data to reflect capital carryover may be required to enable:

- Observers to better understand **when capital spending is occurring** (modified presentation of the Fiscal Monitor); and
- Parliamentarians and others to align resourcing (funding) more easily with performance targets and delivery.

3.2. Understanding Performance

The presentation of capital carryover in the REV in isolation from the Voted allocation for a specific Vote, programme and subhead (often on different pages) makes it more difficult for readers to understand the capital resources available for subheads in a specific year. This means that the efficiency of output delivery can easily be misunderstood – as targets and delivery are more directly and easily linked to the in-year allocation alone.

In simple terms, **the current format of presentation means that the amount of public services delivered (output) can be easily linked (incorrectly) to just the Voted capital allocation for the current year and not the total amount of capital funding available.** Historically, this would likely have had minimal impact, but as illustrated in Figure 1 (p.3), with capital carryover in hundreds of millions in recent years means that calculations of efficiency (the average cost per unit of public service delivered) can be significantly affected.

3.3. Efficiency in Focus: Transport

Figure 2 (p.4) shows that Transport (Vote 31) has had significant carryover in recent years. Looking specifically at subhead A.4 (Greenways) of Programme A (Sustainable Mobility – Active Travel and Greenways) in 2025, it is illustrative of the impact that elevated capital carryover can have on our understanding of efficiency.

In 2025 there is a target for delivery of 19km of regional and national greenways (Figure 6) with the 2025 Voted capital allocation of €61.3 million (Figure 5); however, this does not include the €14.5 million of capital carryover from 2024 (Figure 4) which appears on a different page in the Revised Estimates for Public Services.

The cost per km of Greenways could easily be misunderstood as averaging €3.23 million, when the actual cost appears to be closer to €4 million per km.

Figure 4: Capital Carryover in Transport (Vote 31) Programme

Subheads under which it is intended to apply the amount of €115,477,000 in unspent 2024 appropriations to capital supply services.

	2024	2025	Change 2025 over 2024
	<i>Application of Deferred Surrender</i>		
	€000	€000	
A.4 GREENWAYS ...	30,000	14,500	-52%

Source: [Revised Estimates for Public Services 2025](#) (December 2024).

Figure 5: 2024 Voted Allocation in Transport (Vote 31) Programme A

			2024 Estimate			2025 Estimate		
			Current	Capital	Total	Current	Capital	Total
			€000	€000	€000	€000	€000	€000
A.1	ADMINISTRATION - PAY ...		781	-	781	854	-	854
A.2	ADMINISTRATION - NON PAY ...		161	127	288	110	77	187
A.3	ACTIVE TRAVEL INFRASTRUCTURE ...		1,650	330,500	332,150	1,650	296,000	297,650
A.4	GREENWAYS ...		-	54,000	54,000	-	61,300	61,300
Programme Total:-			2,592	384,627	387,219	2,614	357,377	359,991
of which pay:-			781		781	854		854

Source: [Revised Estimates for Public Services 2025](#) (December 2024).

Figure 6: Performance Targets for Transport (Vote 31)

Public Service Activities (Outputs)

	2023 Outturn (Target)	2024 Output Target	2025 Output Target
A.3 Segregated cycling infrastructure added (kms)	70 (125)	60	65
A.3 Length of new footpaths (kms)	Data not available (150)	60	60
A.3 No. of cycle parking stands provided in urban centres.	4,355 (5,000)	5,000	5,000
A.4 Length of regional and national greenways constructed (kms)	54 (70)	40	19
A.3 No. of schools funded for cycle and scooter parking under Safe Routes to School	Data not available (183)	Data not available	150
A.4 Estimated cumulative total Percentage of TII National Greenway network constructed to date	Data not available	Data not available	10%

Source: [Revised Estimates for Public Services 2025](#) (December 2024).

Efficiency calculations can therefore be considerably impacted if capital carryover is not accounted for. The current presentation of capital carryover in the REV distorts

Capital Carryover and Surrendered Funds 2014-2025

aligning performance targets and performance achieved with capital spending. **This issue is not unique to the Transport Vote.**

4. Surrendered Funds

Each year Votes are allocated specific sums of money which they are permitted to spend. Votes cannot spend more than they have been allocated and as approved by Dáil Éireann. The amount spent is often referred to as 'Outturn' but for simplicity we use the term 'Spend'.

Ordinarily, Votes will have some amount of funds remaining at year end, these funds must be surrendered to the Exchequer (Central Fund) unless they are eligible for capital carryover (discussed above). Any unspent current allocation must be returned to the Exchequer.

While this can seem complicated, it can be explained quite simply, the surplus is simply the unused/unspent resources at the end of the year, i.e.:

$$\text{Surplus} = \text{Voted Allocation} - \text{Spend}$$

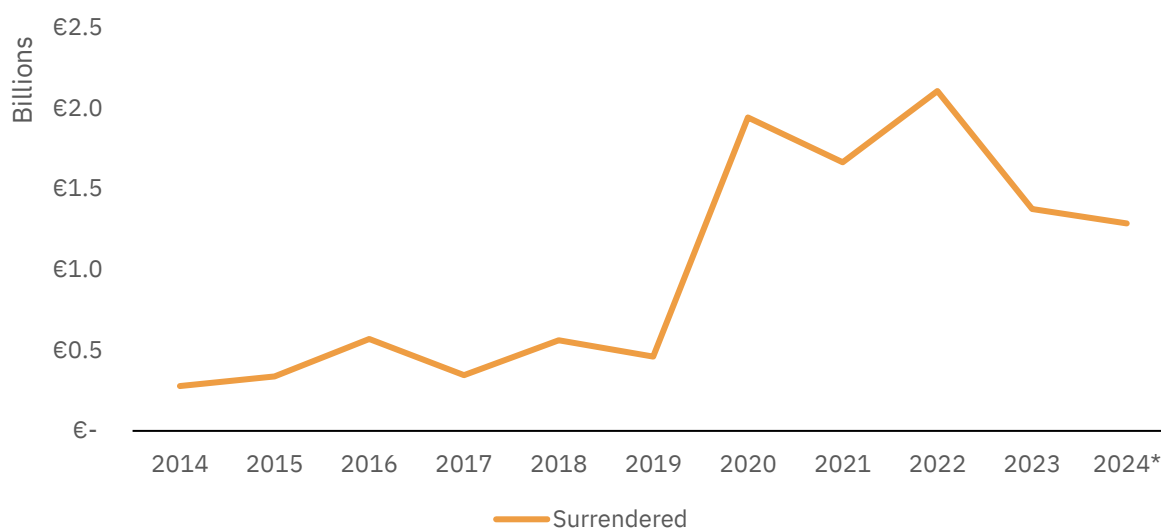
From the surplus, a Vote may be able to defer some, or all, of its unspent capital allocation into the following year (capital carryover/deferred surrender). Any money left over after this process must be returned to the Exchequer (surrendered), i.e.:

$$\text{Surplus} - \text{Capital Carryover} = \text{Surplus to be Surrender}$$

In the absence of audited figures, the PBO has estimated how much is to be surrendered in a year by deducting provisional spending and capital carryover from the Voted Allocation for that year, i.e.:

$$\begin{aligned} \text{Surrendered Funds (Estimate)} \\ = \text{Voted Allocation} - (\text{Provisional Outturn} + \text{Capital Carryover}) \end{aligned}$$

The surrender of funds by Votes is a natural consequence of the budget process. The scale of surrender should be considered against the scale of the amount allocated to a Vote, a relatively small € value surrender from one Vote could reflect significant 'underspending' if that Vote's total allocation is small. Surrender can also be inflated where uncertainty is higher, for example, significant funding was allocated for COVID-19 measures, where demand/need may have been lower than estimated.

Figure 7: Surrendered Funds 2014-2024

Source: PBO based on the Comptroller and Auditor General, [Appropriation Accounts](#) and; the Department of Public Expenditure, NDP Delivery and Reform, Correspondence (18th March 2025).
 Note: Surrendered Funds figure for 2024 is an estimate based on correspondence (18th March 2025) from the Department of Public Expenditure, NDP Delivery and Reform.

4.1. Overview of Surrendered Funds (2014-2024)

Figure 7 provides an overview of the amount of money surrendered by Votes from 2014 to 2024. The figure for 2024 is estimated. The total surrendered amount increased significantly over the period:

- In 2014, the total was approximately €0.28 billion.
- By 2024, this had risen to about €1.29 billion.

4.2. Notable Trends:

There was a substantial increase in surrendered funds in 2020. In 2022, surrendered funds reached an all-time high of €2.1 billion, partly due to the impact of COVID-19. Over the last two years, surrendered funds have decreased, with a drop of about 39% from 2022 to 2024.

- From 2014 to 2024, a total of approximately €10.93 billion was surrendered across all Votes.

- About €8.45 billion (77.4%) of the surrenders came from just 9 Votes, with details available in Figure 8 and Figure 9.¹¹

Figure 8: Surrendered Funds (selected Votes) 2014-2024 (% of total surrendered)

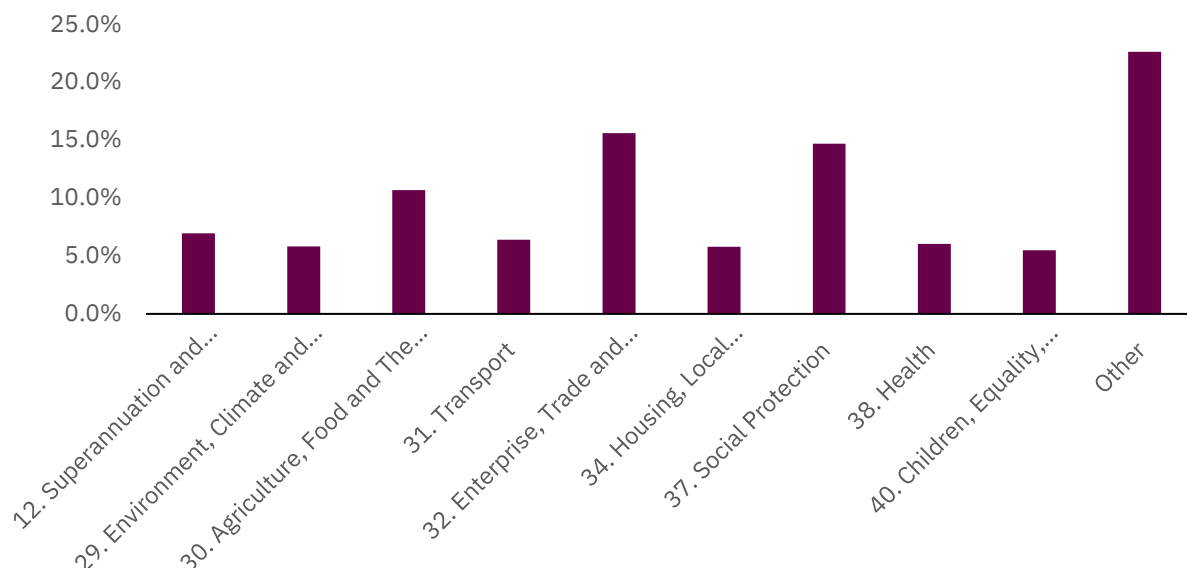
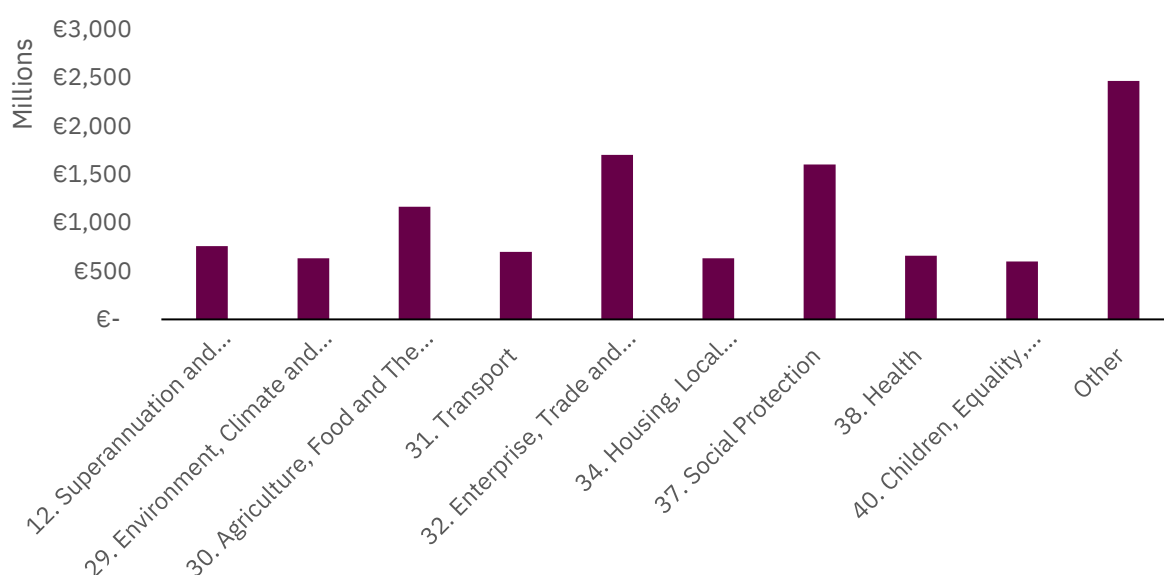


Figure 9: Surrendered Funds (selected Votes) 2014-2024 (€)



¹¹ It should be noted that this data is collated based on nominal values, meaning the value at that specific year. The PBO have not adjusted the data to incorporate the impact of changes in the value of funds i.e. to take account of inflation. As such, the value of €1 billion in 2014 is not indexed to its value in 2024 and the totals reflect the value at the time allocated, not current values.

Source: PBO based on the Comptroller and Auditor General, [Appropriation Accounts](#) and; the Department of Public Expenditure, NDP Delivery and Reform, Correspondence (18th March 2025).
 Note: Other refers to the remaining Votes during the period 2014-2024. Only Votes with a surrender of over €500 million were selected. Surrendered Funds figure for 2024 is an estimate based on correspondence (18th March 2025) from the Department of Public Expenditure, NDP Delivery and Reform.

4.3. Surrendered Funds in Focus: Enterprise, Trade and Employment

Figure 10 and Figure 11 focus on Vote 32 – Enterprise, Trade and Employment for the period 2014 to 2024. During this period this was the Vote with the highest level, with an estimated surrender of roughly €1,704 million or 15% of the total surrendered by all Votes.

- In 2022 and 2023, the amount surrendered by the Vote increased substantially, totalling just over €1.3 billion across the two years.
- However, in 2024, the amount surrendered by the Vote decreased significantly to just over €82.9 million.
- This represented a surrender of 6.2% of the Vote's initial allocation of €1,348 million in 2024.

Figure 10: Enterprise, Trade and Employment: Spend and Surrender (€)

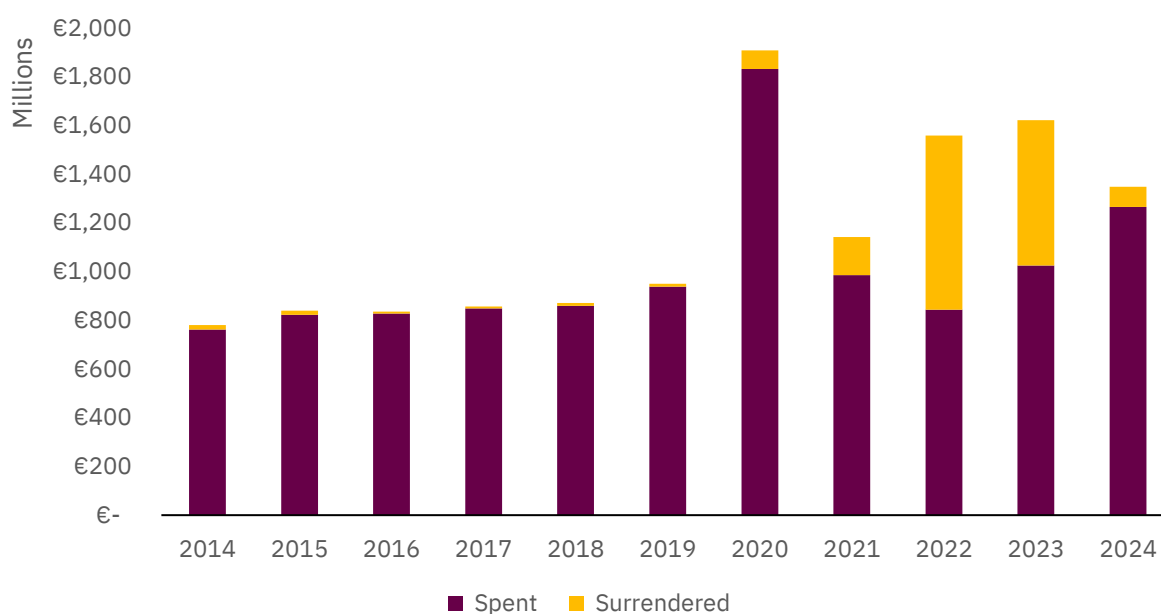
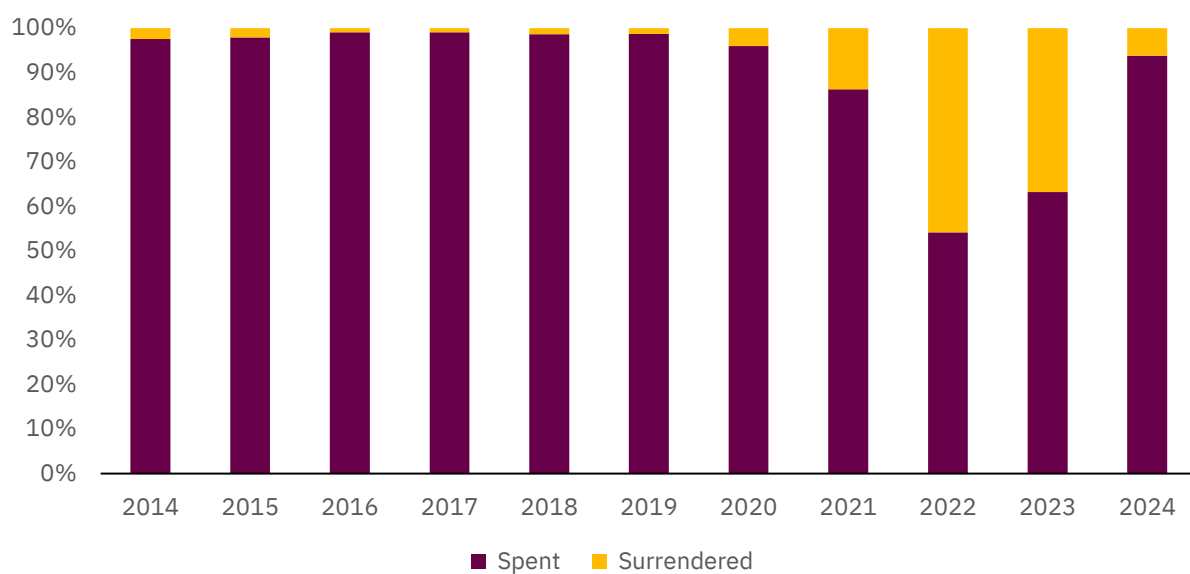


Figure 11: Enterprise, Trade and Employment: Spend and Surrender (%)



Source: PBO based on the Comptroller and Auditor General, [Appropriation Accounts](#).

Note: Surrendered Funds figure for 2024 is an estimate based on correspondence (18th February 2025) from the Department of Public Expenditure, NDP Delivery and Reform.

5. Conclusion

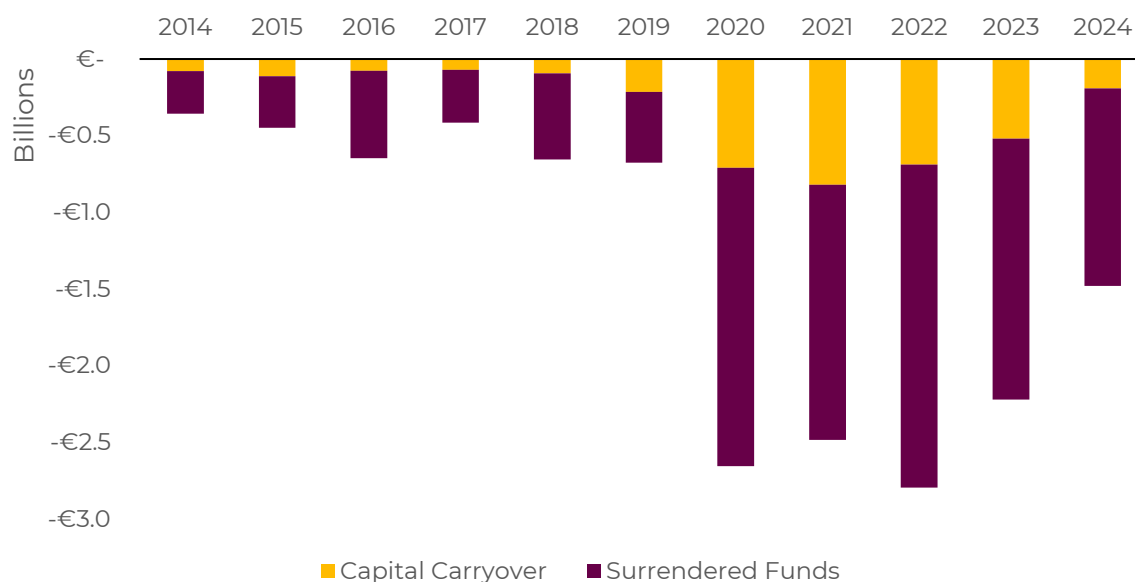
Capital carryover and surrender can be considered as underspending as they relate to funds which had been allocated for use in a specific year which:

- Were not utilised and were returned (surrendered) to the Exchequer, and / or
- Are not being used in the specific time period for which they were originally allocated.

Spending below the levels allocated can arise for a number of reasons, funding may have been allocated for demand led schemes which were not widely availed of, or where capital projects are progressed more slowly than originally intended, or potentially where services are delivered more efficiently than anticipated. **Elevated levels of capital carryover and/or surrender may indicate issues within the Vote which merit closer examination.**

Figure 12 shows the combined scale of underspending for the period 2014 to 2024.

Figure 12: Timeline of Capital Carryover and Surrendered Funds

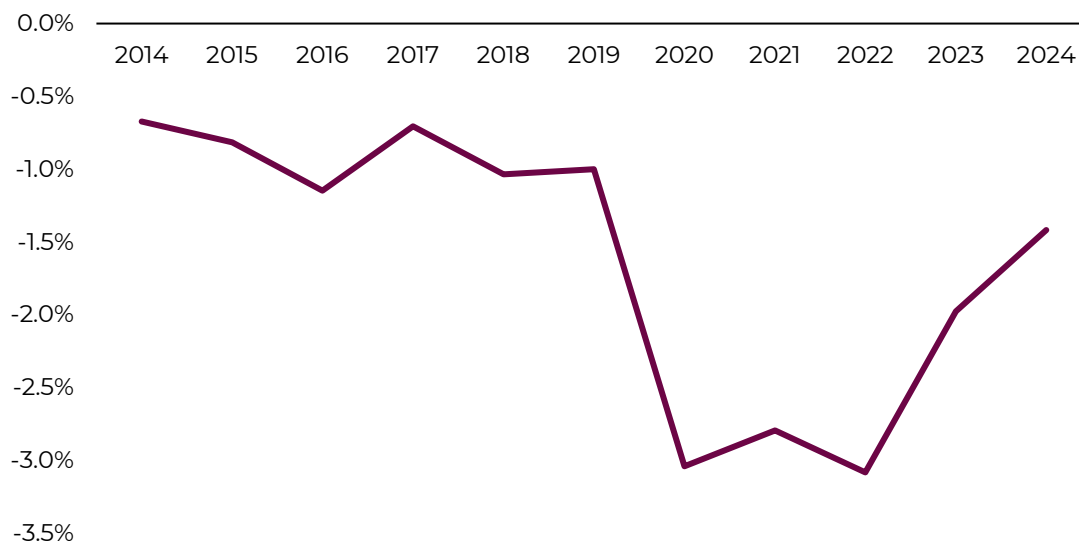


Source: PBO based on the Comptroller and Auditor General, [Appropriation Accounts](#), the Department of Public Expenditure, NDP Delivery and Reform, [The Revised Estimates for the Public Services](#) and; the Department of Public Expenditure, NDP Delivery and Reform – [Databank](#).

It is important to view capital carryover and surrendered funds in context. While in isolation, the scale of capital carryover and/or surrender can seem vast, in the broader budgetary context they tend to be reasonably insignificant.

Figure 13 shows capital carryover and surrendered funds each year as a percentage of the gross allocation in that year. In 2020 and 2022 spending was 3% lower than the total allocated for the year. For 2024, it is 1.4% lower than the allocation for the year.

Figure 13: Underspend Relative to Total Gross Allocation



Source: PBO based on the Comptroller and Auditor General, [Appropriation Accounts](#), the Department of Public Expenditure, NDP Delivery and Reform, [The Revised Estimates for the Public Services](#) and; the Department of Public Expenditure, NDP Delivery and Reform – [Databank](#).

Figure 13 highlights the significant impact of the COVID-19 pandemic on ‘underspending’. This arose from the combined impacts of increased capital carryover (due partly to restrictions on economic activity which would have delayed capital projects) and elevated surrender arising due to elevated allocations which were not ultimately required. As the economy has returned to normality, the underspend percentages and figures are gradually reducing.

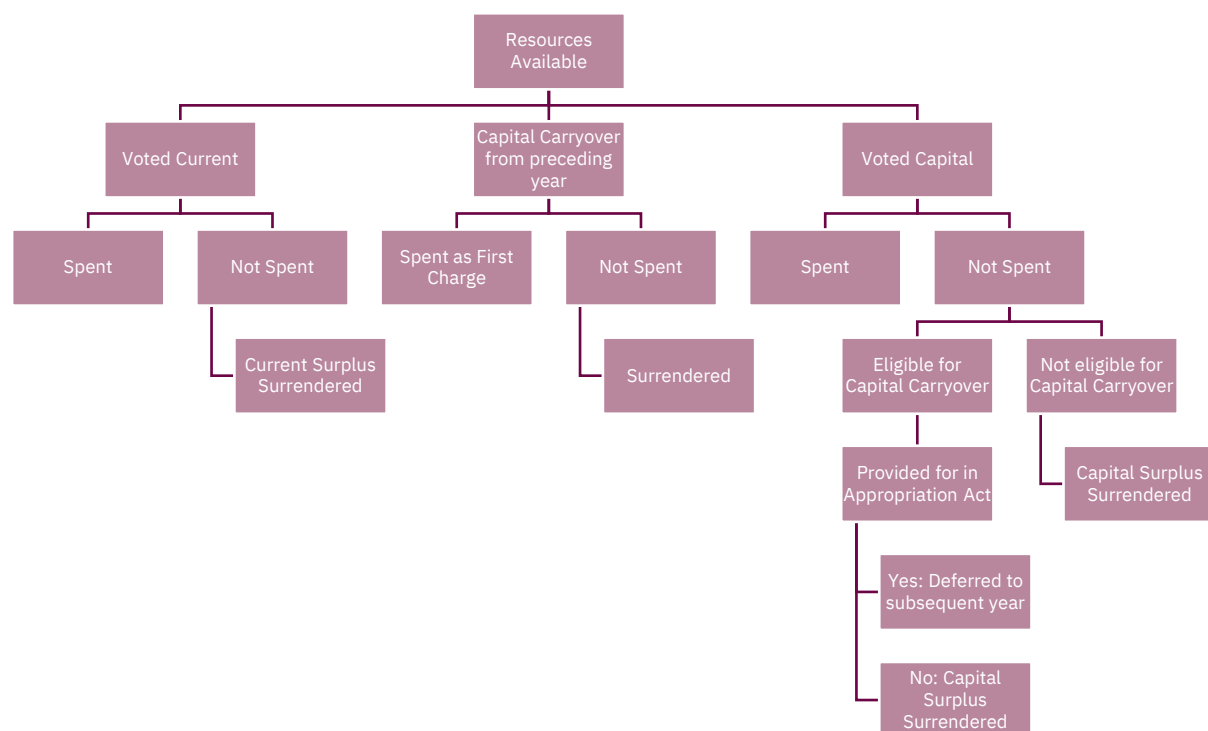
6. Appendices

6.1. Appendix 1: Path of Unspent Allocation

Figure 14 shows how the resources available in a year (the Voted allocation and any capital carryover from the preceding year) are either:

- Spent,
- Not spent and surrendered, or
- Not spent and deferred to the subsequent year.

Figure 14: Spent, Deferred, or Surrendered



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