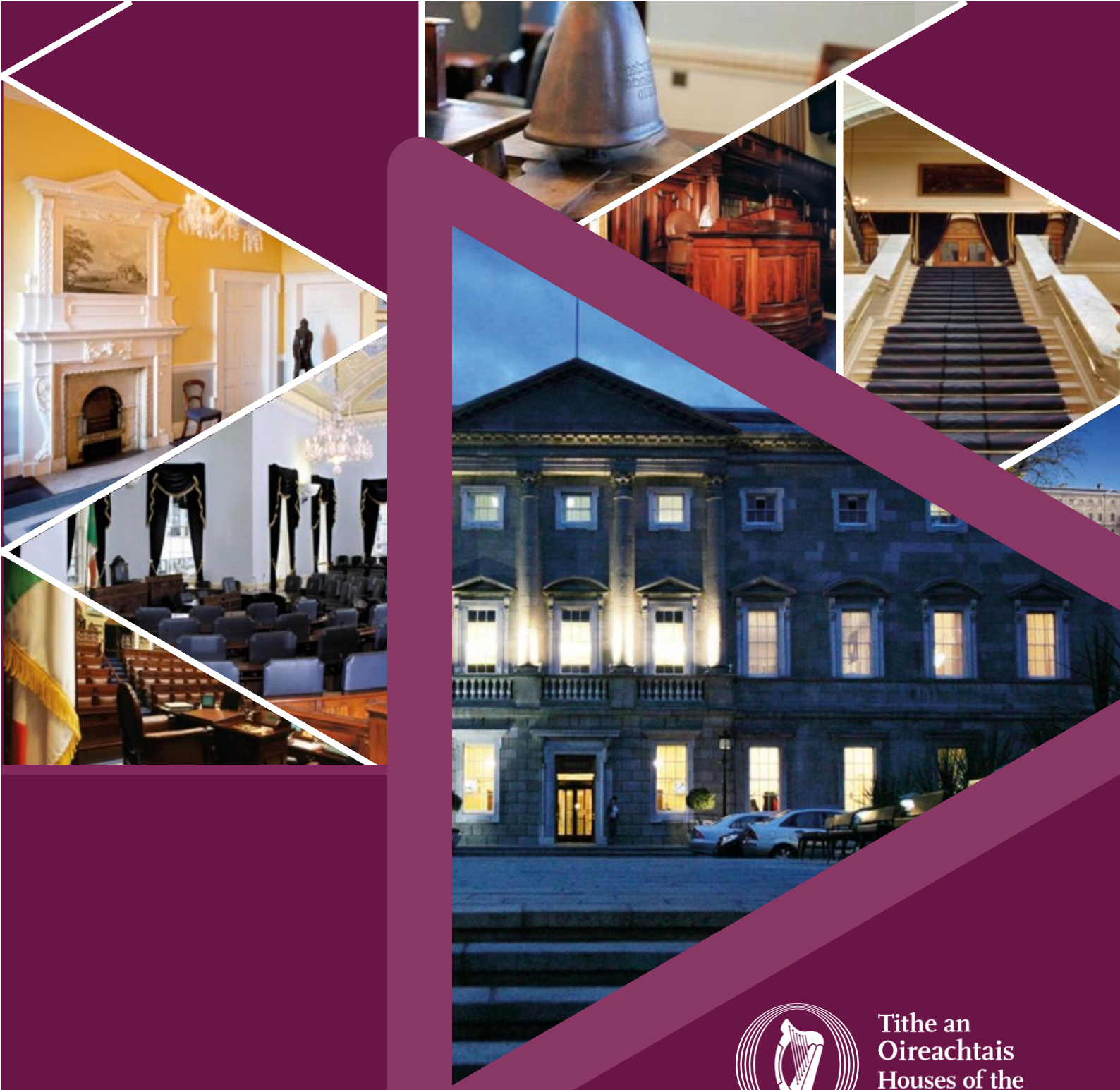


Tithe an Oireachtais
Houses of the Oireachtas

An Oifig Buiséid Pharlaiminteach

Parliamentary Budget Office

Revised Estimates for Public Services 2026

Publication 5 of 2026

Séanadh

Is í an Oifig Buiséid Pharlaiminteach (OBP) a d'ullmhaigh an doiciméad seo mar áis do Chomhaltaí Thithe an Oireachtais ina gcuid dualgas parlaiminteach. Ní bheartaítear é a bheith uileghabhálach ná críochnúil. Féadfaidh an OBP aon fhaisnéis atá ann a bhaint as nó a leasú aon tráth gan fógra roimh ré. Níl an OBP freagrach as aon tagairtí d'aon fhaisnéis atá á cothabháil ag tríú páirtithe nó naisc chuig aon fhaisnéis den sórt sin ná as ábhar aon fhaisnéise den sórt sin. Tá baill foirne an OBP ar fáil chun ábhar na bpáipéar seo a phlé le Comhaltaí agus lena gcuid foirne ach ní féidir leo dul i mbun plé leis an mórphobal nó le heagraíochtaí seachtracha.

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 sholáthraímidne, 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 Séanádh seo agus ár bhFógra Séanta cuimsitheach, is ag an gceann deireanach a bheidh an forlámhas.

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Contents

1. KEY MESSAGES 1

2. INTRODUCTION 2

2.1. Revised Estimates for Public Services 2

2.2. Parliamentary Budget Office Analysis 3

2.3. Defining Government Expenditure 4

3. OVERALL ESTIMATES OF SPENDING 2026 6

4. RECENT TRENDS IN GROSS GOVERNMENT SPENDING 8

5. APPROPRIATIONS-IN-AID 12

5.1.1. A-in-A Offset Gross Government Spending 14

5.1.2. Sources of A-in-A 15

5.1.3. Longer-Term Trends in 'Other' A-in-A 17

6. PUBLIC SECTOR WORKFORCE 19

7. CONCLUSION 22

1. Key Messages

- Some uncertainty is an inherent risk in the budget making process.
- The difference between the estimate for a given year and the amount spent in that year (Outturn) is a general indicator of the quality of the budget process. In general, pre-2020 the outturn tended to be close to the estimate.
- In the period 2014-2019 outturn exceeded the initial estimate provision by 1.6% on average, however, between 2021 and 2025 this difference has grown to 6.1%.
- The 2026 allocation is ~€32.6 billion more than the final spend (outturn) in 2020. That's an average annual increase in gross Government spending of ~€5.4 billion.
- In 2009, Appropriations-in-Aid (A-in-A) offset more than 25% of Gross Government Spending.
- In 2026, A-in-A are expected to offset just 15.8% of Gross Government Spending.
- Net Government Spending has been on the rise, placing additional pressure on the Exchequer to fund public services, particularly where fees are not keeping pace with increases in the costs of service delivery.
- There may be merit in a review of A-in-A in this 'Other' category to determine the merits of either introducing new charges or amending the rates of existing charges.
- Almost €2 of every €3 estimated to be spent on pay in 2026 is associated with just two Votes.
- Despite the combined estimated cost of pay and pensions having risen by almost €10.6 billion (41.2%) between 2022 and 2026, they have remained fairly stable as a % of Gross Government Spending (ranging between 30.9% to 32.2%).

2. Introduction

2.1. Revised Estimates for Public Services

The Revised Estimates for Public Services (also known as 'the REV') is a key milestone in the budgetary process.[1] The Revised Estimates is usually published in December. It expands on the Expenditure Report published on Budget day, detailing spending for the coming year, as well as some non-Voted spending (see 2.3 Defining Government Expenditure p.4).

The REV is normally 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 by the Minister unless otherwise ordered. The Dáil then passes all Estimates, facilitating allocations to be issued from the Exchequer.[2] Such processes may be altered, for example, directly after a general election.

The fundamental significance of the Revised Estimates is it outlines details of Government spending for the forthcoming year. These estimates facilitate greater transparency and give a baseline from which the Oireachtas and its Committees can scrutinise Government spending, the budgetary process and Department performance. They also provide insight into expected revenue yields through appropriations-in-aid (A-in-A), for example, fees associated with certain public services, such as applications for passports and driving licenses.[3]

The Revised Estimates also contain performance metrics for each Vote. These facilitate scrutiny of Votes, not just in terms of how much money is being spent but also regarding what is intended to be achieved with this investment.[4]

[1] Parliamentary Budget Office, Government Spending (March 2025).
[2] Houses of the Oireachtas, 'Procedural guide to Estimates in committee' (accessed 05/02/2026).
[3] Parliamentary Budget Office, 'Appropriations-in-Aid in the Revised Estimates for Public Services' (2018).
[4] Parliamentary Budget Office, 'An Analysis of Equality Budgeting Content in the Revised Estimates for Public Services 2023' (2023).

2.2. Parliamentary Budget Office Analysis

This report intends to provide an overview of REV 2026. It is to be supported and read alongside a series of other REV related publications by the PBO.

This year's paper is also accompanied by an online interactive dashboard.[5] This dashboard is intended to be updated on an ongoing basis to incorporate newer data as and when it becomes available.

The PBO will also publish a note on Climate Related Spending in REV 2026 in the coming weeks.

[5] This paper was originally published on 17 February 2026. It was republished on 19 February with minor corrections and to directly link it to the dashboard, also published on 19 February.

2.3. Defining Government Expenditure

Government expenditure (spending), is money paid out by the Government to deliver goods, supply services, and provide income supports. This spending may be categorised as 'current' or 'capital'.[6] Current spending covers the day-to-day costs of providing public services; capital spending refers to that which is used to acquire assets and is typically once-off in nature.

These can be further divided into voted and non-voted spending. Voted spending is directly approved by Dáil Éireann during the annual Budget process. Non-voted spending is provided for in legislation and is not subject to annual review or Dáil approval.[7] Examples of non-voted spending include national debt interest payments, payments to the Oireachtas and judiciary, and contributions to the EU budget.

The REV includes 'Government Expenditure' as defined in the Ministers and Secretaries (Amendment) Act 2013. Table 1 shows the components of 'Government Expenditure', all of which are included in the REV. The sum of these four parts is referred to in this paper as 'gross government spending'. The amount Voted on by Dáil Éireann which is required from the Exchequer/Central Fund are the 'net' cost of the services funded through the REV.[8,9,10]

[6] Parliamentary Budget Office, 'An Overview of Current and Capital Spending within Government Expenditure' (2023).
[7] Ibid.
[8] Parliamentary Budget Office, 'Measuring the Cost of Public Service Provision: Gross & Net Spending in Ireland' (2023).
[9] Parliamentary Budget Office, An Overview of the Central Fund: What it is & how it operates (2023).
[10] These are also known as 'supply grants'.

Table 1: Components of Government Expenditure

Spending	Source	Voted / Non-Voted
Money supplied out of supply grants	Exchequer (Central Fund)	Voted
Appropriations-in-aid (A-in-A) in respect of supply services	Income accruing to a Vote	Voted
Money paid out of the Social Insurance Fund	Social Insurance Fund	Non-Voted
Money paid out of the National Training Fund	National Training Fund	Non-Voted

Source: Ministers and Secretaries (Amendment) Act 2013.

3. Overall Estimates of Spending 2026

Table 2 shows the composition of gross spending projected for 2026. This includes both Voted and Non-Voted spending, sub-divided into current and capital spending.

Gross spending for 2026 is estimated to be €117.4 billion (excluding funds not currently allocated at Vote level). 83.4% of estimated spending is allocated to current expenditure, which includes public sector pay and social welfare payments. A further 16.2% is due to be spent on capital projects, while about 0.35% remains unallocated. An additional €182 million in capital estimates consists of capital carryover from 2025.

Table 2: Gross Government Spending Estimate 2026

Allocation	Amount (€ billion)
Current Expenditure	€98.279
Capital Expenditure	€19.106
Unallocated at Vote Level	€0.416
Gross government spending	€117.801 (€117.385 excl. Unallocated at Vote Level)

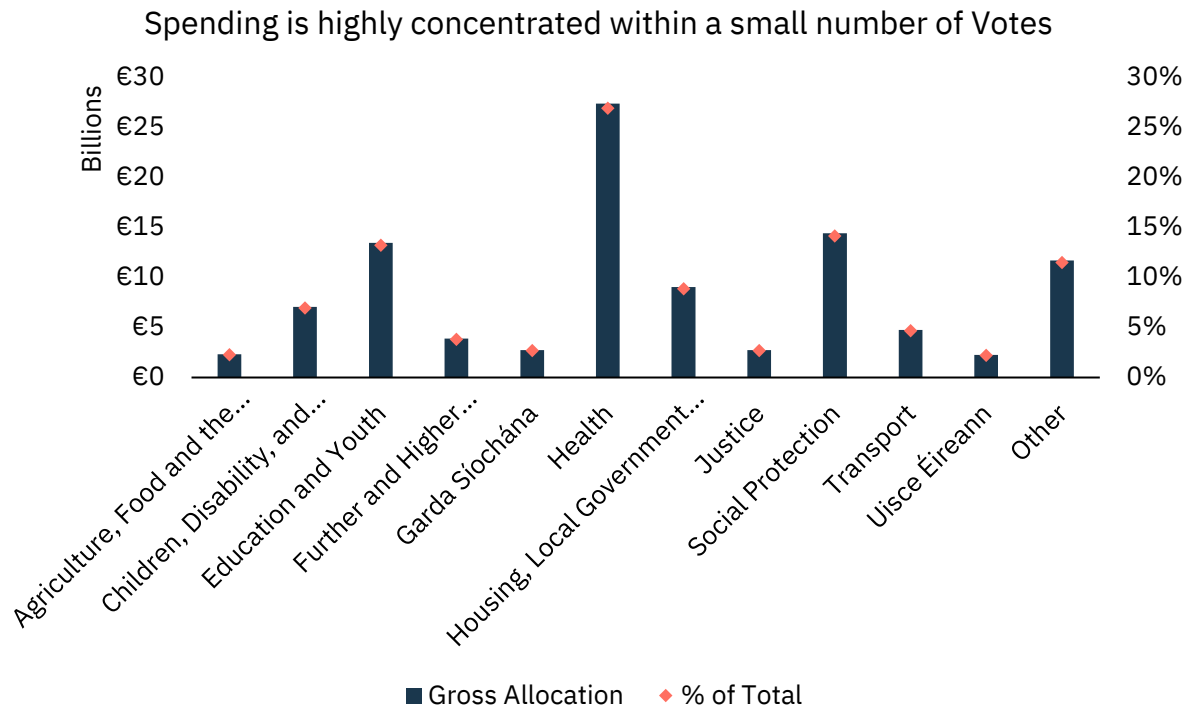
Source: Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, Revised Estimates for Public Services 2026 (December 2025).

Gross spending is distributed across 45 Votes and two funds, the Social Insurance Fund (SIF)[11] and the National Training Fund (NTF).[12] Within the 45 Votes encompassed by Voted spending, the gross allocation is heavily concentrated in a small number of Votes. Only eleven Votes have a Voted allocation in excess of €2 billion in 2026.

These Votes account for almost €101.7 billion of the gross Voted allocation. This represents 86.6% of the total of €117.4 billion in allocated spending. These Votes and their 2026 allocations are outlined in Figure 5 below.

[11] Parliamentary Budget Office, An Overview of the Social Insurance Fund (SIF) (2018).
[12] Parliamentary Budget Office, An Overview of the National Training Fund (NTF) (2023).

Figure 1: Gross Allocations in 2026 (€, and % of total)



Source: Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 'Databank' (December 2025).

Only three Votes exceed 10% of the total gross allocation for 2026 (excluding the non-Voted SIF). These are:

- Health: €27.35 billion (26.9%)
- Social Protection: €14.4 billion (14.2%), and
- Education and Youth: €13.46 (13.2%).

Of the remaining Votes:

- The 8 remaining Votes (with allocations exceeding €2 billion) comprise €34.78 billion (34.2%), and

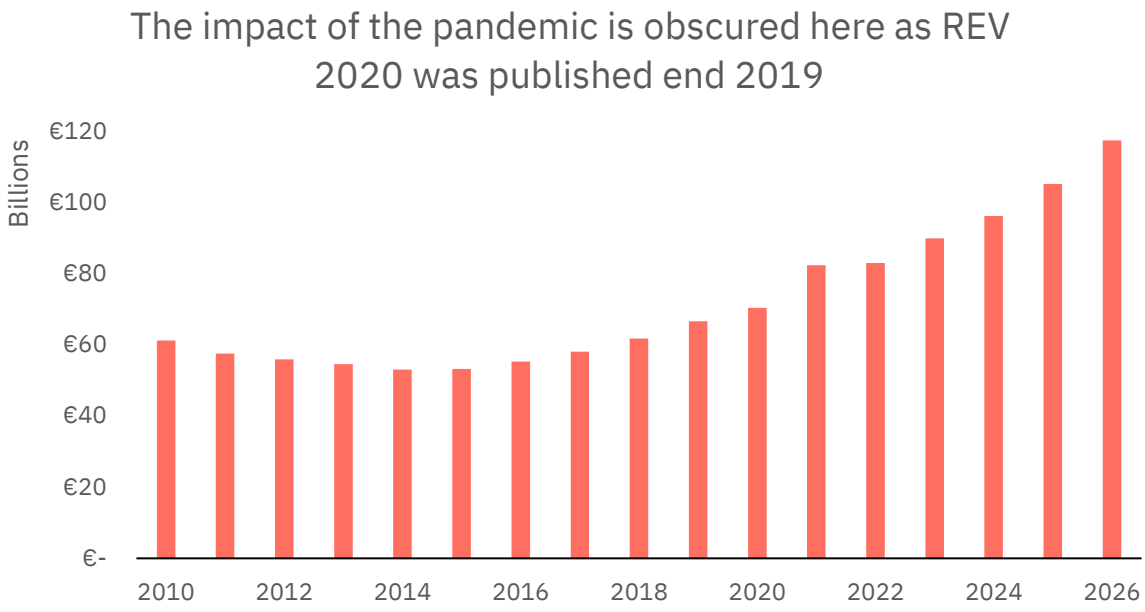
The 34 Votes included in the 'Other' category have a total allocation of €11.7 billion (11.5%).

4. Recent Trends in Gross Government Spending

Analysing gross Government spending is important as it more accurately represents the cost of public service provision.[13] A-in-As 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 or reduced spending.

Gross voted spending in 2026 is estimated to reach €117.4 billion (see Figure 1). Gross government spending in 2026 (~€117.4 bn) is 38.5% (~€32.6 bn) greater than the final spend (outturn) in 2020 (see also Figure 3).

Figure 2: Gross Government Spending (Allocation in REV)



Source: Revised Estimates for Public Services (Various).

Estimates should reflect an evidence-based assessment of the likely cost of delivery public services for the coming year; however, **some uncertainty is an inherent risk in this process**. This uncertainty can come from many sources, such as:

- A weak analytical base (the assumptions re costs are wrong),

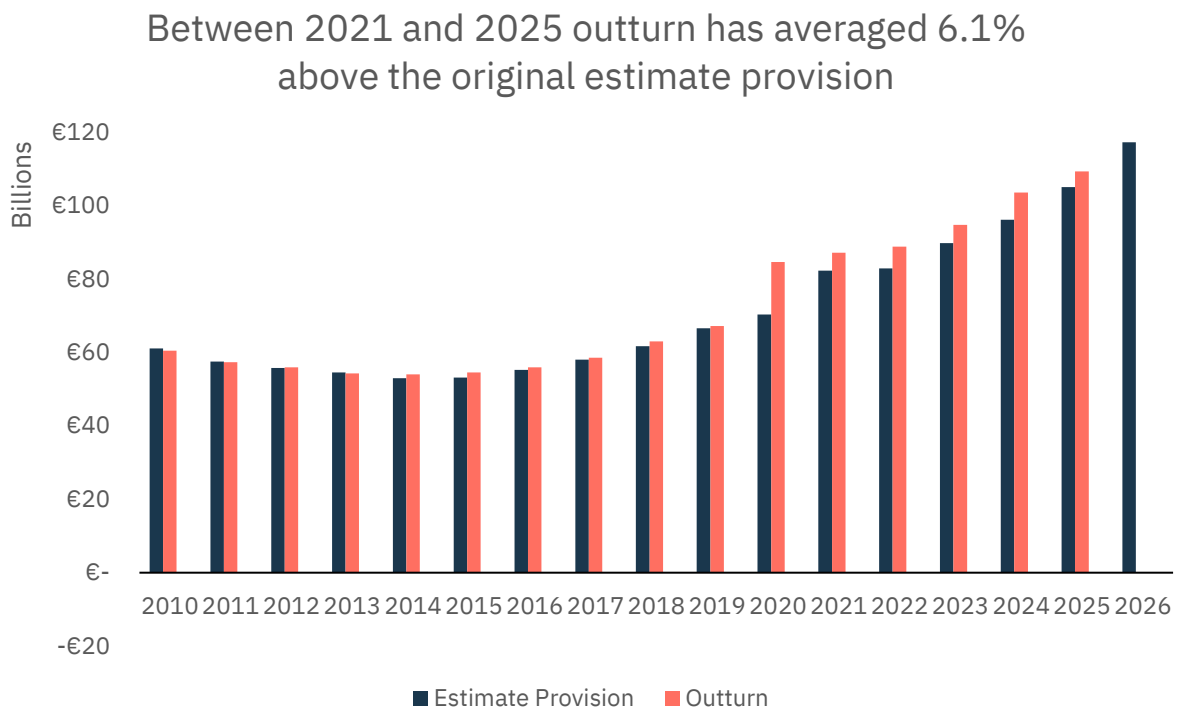
[13] Parliamentary Budget Office, An Overview of Current and Capital Spending within Government Expenditure (2023).

- Political forces (for example changes in policy following an election), and
- Unforeseen events (war, economic downturns etc.).

Figure 3 highlights the growth in allocations and outturn, with a significant 'leap' occurring as a result of the pandemic in 2020. Subsequent years also included cost of living supports subsequent to the invasion of Ukraine and the corresponding impact on inflation. Not every year has a clear explanation like this, but the pattern shows continual large increases beyond the initial allocation since 2020. These are mainly funded by Supplementary Estimates.

The 2026 allocation is ~€32.6 billion more than the final spend in 2020. That's an average annual increase in gross Government spending of ~€5.4 billion.

Figure 3: Initial Allocation and Outturn Compared

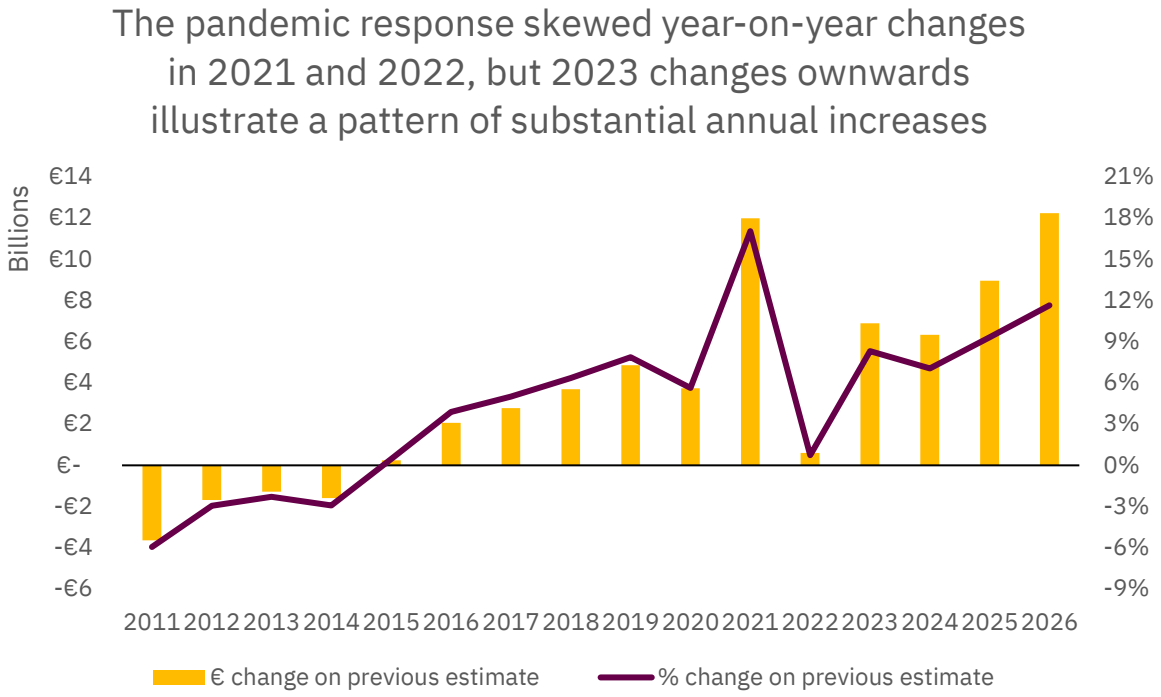


Source: Revised Estimates for Public Services (Various), Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, Databank, and Department of Finance, Analytical Exchequer Statement December 2025 (January 2026).

Figure 4 shows the year-on-year changes in gross Government spending set out in the REV. In the period illustrated there were annual decreases to 2014, with 2015 marking a turning point. Between 2016 and 2020 the REV provided for average annual increases of 5.7% to gross government spending.

The uncertainty of the pandemic period resulted in significant fluctuations, however, from 2023 on there has been a general pattern of further increases, averaging 9.1% each year, indicating unplanned spend is becoming an embedded feature.

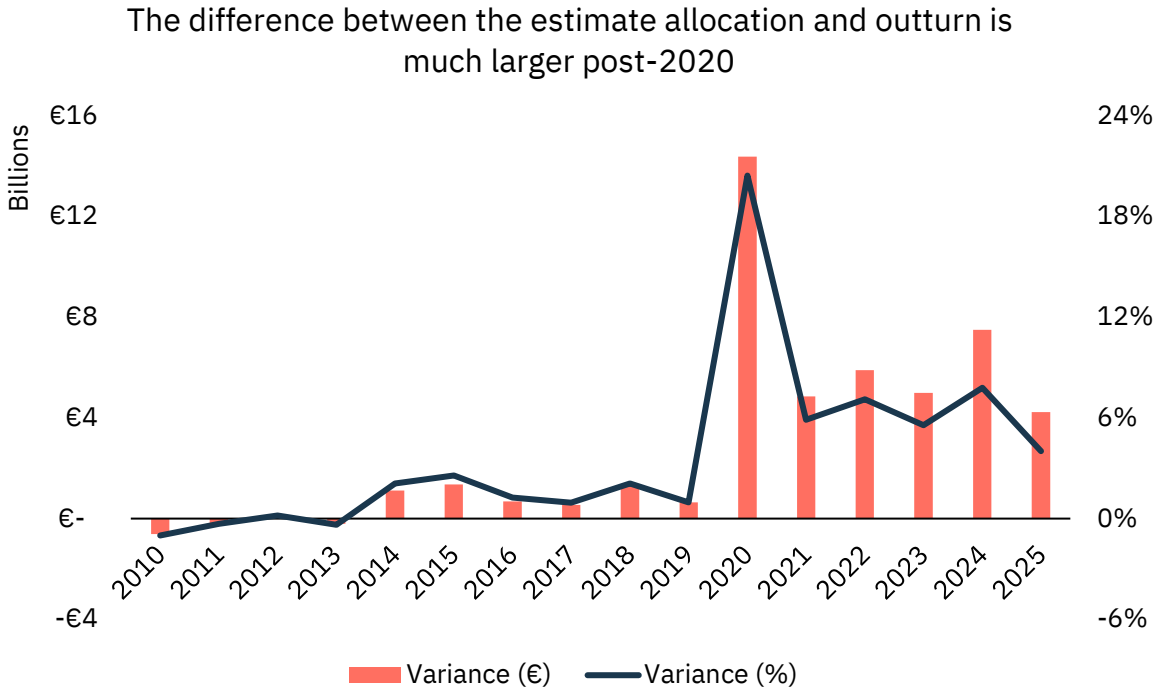
Figure 4: Annual Changes in Gross Estimate Allocations



Source: Revised Estimates for Public Services (Various).

Figure 5 indicates the degree of variance between the initial gross revised estimate for a given year and the outturn (actual spend). **In the period 2014-2019 outturn exceeded the initial estimate provision by 1.6% on average, however, between 2021 and 2025 this difference has grown to 6.1%.**

Figure 5: Variance between Initial Allocation and Outturn



Source: Revised Estimates for Public Services (Various), Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, Databank, and Department of Finance, Analytical Exchequer Statement December 2025 (January 2026).

The difference between the estimate for a given year and the amount spent in that year (Outturn) is a general indicator of the quality of the budget process. In general, pre-2020 the outturn tended to be close to the estimate.

The pandemic and cost-of-living crisis may have justifiably placed upward, unforeseen, pressure on spending. The reduction in the difference (variance) in 2025 will hopefully form part of an ongoing trend returning variance to levels comparable to the pre-pandemic period.

5. Appropriations-in-Aid

Appropriations-in-Aid (A-in-A) are revenues generated by Votes.[14] A-in-A reduces the level of Exchequer funding required by Votes to provide public services. They therefore affect the net allocation of a Vote. For simplicity, A-in-A can be sub-divided into three categories. These are:

- Social Insurance Fund (SIF),
- National Training Fund (NTF), and
- Other.

The SIF and NTF are non-Voted funds and provide services or benefits that might otherwise have to be funded by the Exchequer. The spending by these funds are treated as A-in-A as otherwise the Exchequer would be expected to fund these services and benefits directly.

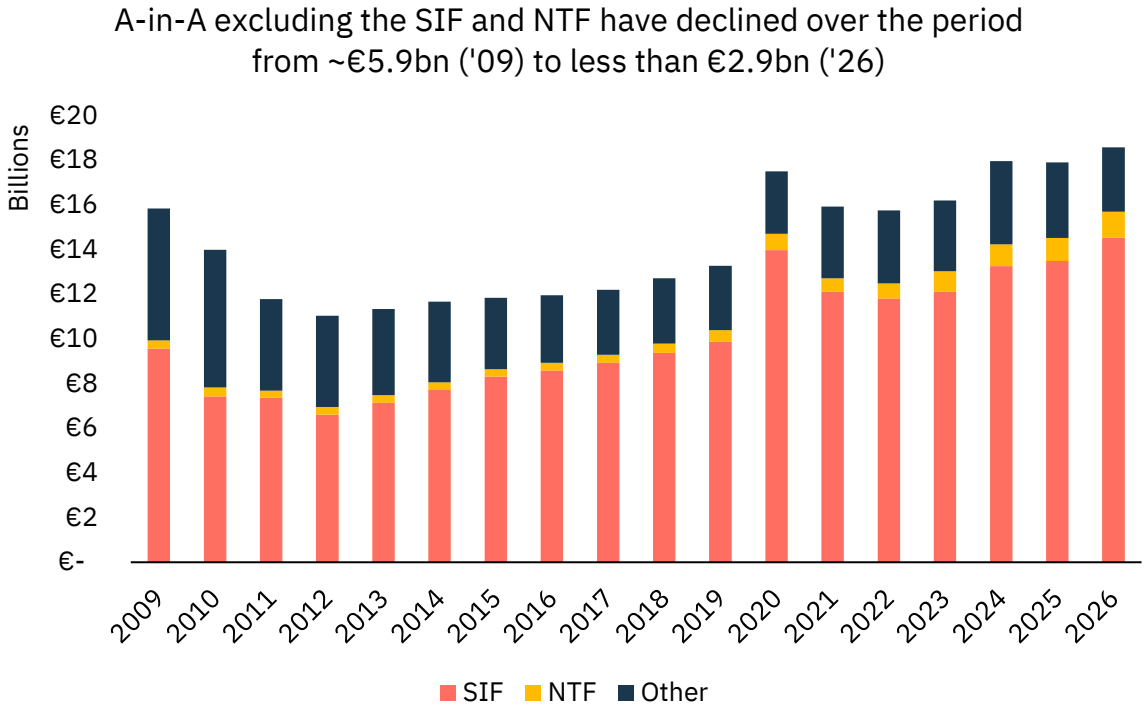
The spending of the funds is treated as income which offsets gross government spending.

Figure 6 shows the changing value and composition of A-in-A over the period. Total A-in-A are expected to reach ~€18.6 billion in 2026.

- The SIF has consistently been the largest source of A-in-A over the period,[15]
- The NTF has grown more than the other two categories over the period (more than trebling in value), and
- The remaining A-in-A (Other) has declined over the period, in 2026 it is expected to be less than half the 2009 level (-51.2%).

[14] Parliamentary Budget Office, 'Appropriations-in-Aid in the Revised Estimates for Public Services' (2018).
[15] The SIF can spend more than it earns in a year by spending its reserves (savings). For example, in 2020 there wasn't an increase in SIF earnings – there was an increase in spending by the SIF funded partially by drawing down its reserves. For more see PBO, An Overview of the Social Insurance Fund (SIF) (2018).

Figure 6: Composition of A-in-A



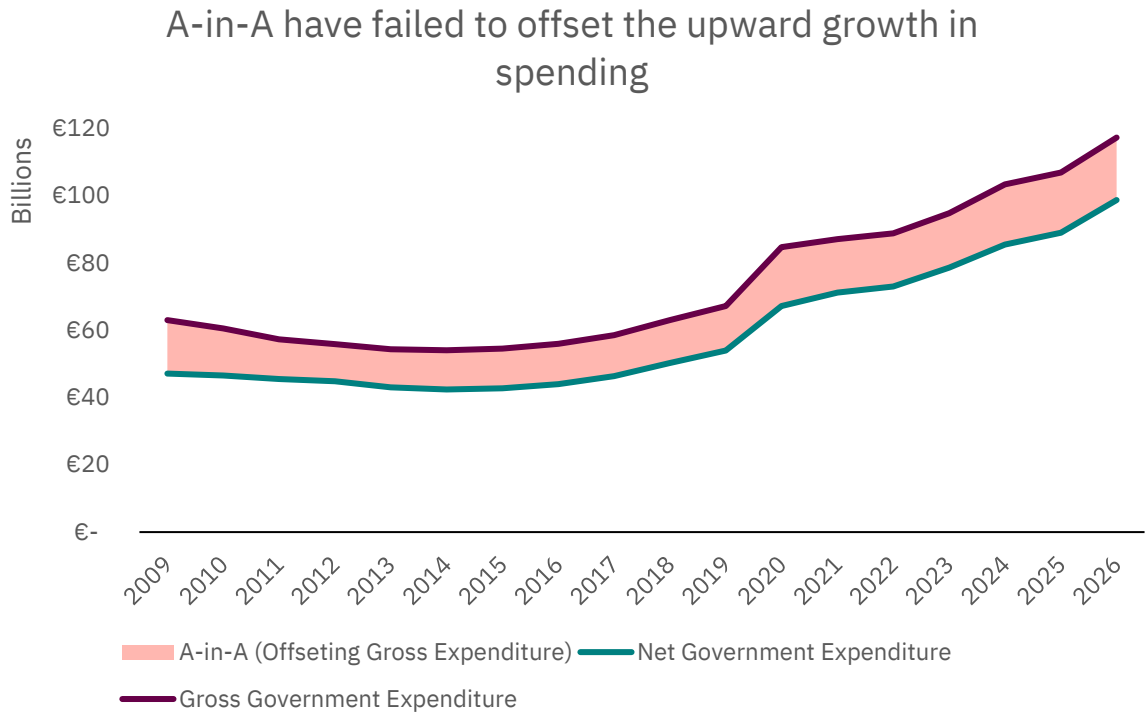
Source: Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 'Databank' (December 2025).

5.1.1. A-in-A Offset Gross Government Spending

Figure 7 shows that A-in-A offset Gross Government Spending (the top line), reducing it to Net Government Spending (the lower line). The amount of A-in-A (shaded area) has changed through the period, with overall growth of 17.3% between 2009 and 2026. However, over the same period Gross Government Spending has increased by 86.2%.

This means that spending growth has far outpaced growth in income to the Votes.

Figure 7: The Impact of A-in-A on Gross Government Spending



Source: Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 'Databank' (December 2025).

5.1.2. Sources of A-in-A

Figure 8 shows the stark difference between the growth in A-in-A and Gross Government Spending.

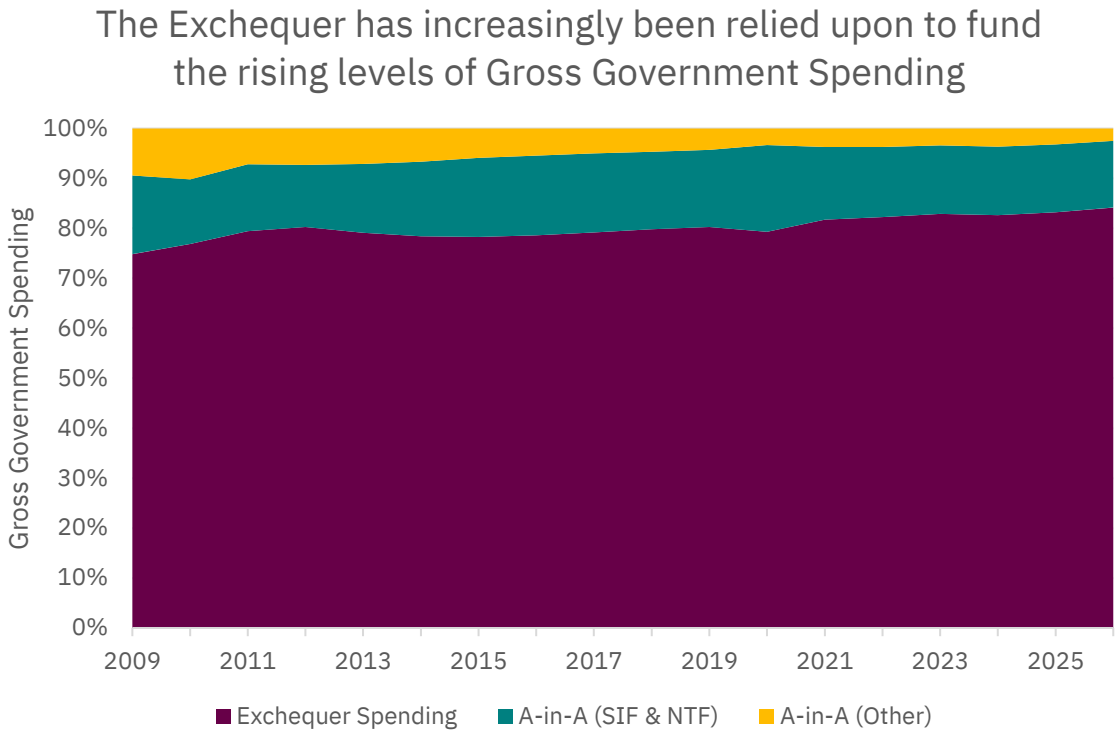
- In 2009, A-in-A offset more than 25% of Gross Government Spending.
- In 2026, A-in-A are expected to offset just 15.8% of Gross Government Spending.

This means that **Net Government Spending has been on the rise, placing additional pressure on the Exchequer to fund public services, particularly where fees are not keeping pace with increases in the costs of service delivery.** This requires Government to source the required funding difference from other sources such as tax revenues. This poses a risk for the public finances as, in the event of tax revenues being insufficient to fund these services, additional borrowing could be required.

Figure 8 shows how Gross Government spending estimates for 2009 to 2026. It shows how the % of each estimate which is funded either by the Exchequer (Central Fund, or by A-in-A, either 'SIF & NTF' or 'Other'.

- This 'Other' category of A-in-A better reflect the income to the Votes themselves through charges on services provided.
- Between 2009 and 2026 these 'Other' A-in-A have declined from 9.4% to 2.5% of Gross Government Spending.

Figure 8: Funding Government Expenditure



Source: Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 'Databank' (December 2025).

Increasingly the Exchequer is required to fund the delivery of public services directly. There could be several reasons for this, including:

- Successive Governments have opted not to increase charges,
- Governments may have ceased to charge for some services,
- The range, scope, or quality of public services has increased without associated charges being introduced, and/or
- The potential to raise revenues through A-in-A has been inadvertently neglected.

There may be merit in a review of A-in-A in this 'Other' category to determine the merits of either introducing new charges or amending the rates of existing charges.

5.1.3. Longer-Term Trends in 'Other' A-in-A

A-in-A data is available back to 1994 in the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's Databank. Looking back over the full timeline it seems that 3-4 periods emerge. These periods are described in Table 3. The first period (1994-2008) generally shows 'Other' A-in-A hovering at a reasonably steady level. The second, 2009-2010, shows a short-lived rise in the importance of 'Other' A-in-A in funding public services. The third period (2011-19) shows a steady downward trend in the % contribution of 'Other' A-in-A to Gross Government Spending. Finally, the fourth period (2020-26) shows a temporary stabilisation in this decline before further consecutive declines in 2025 and 2026.

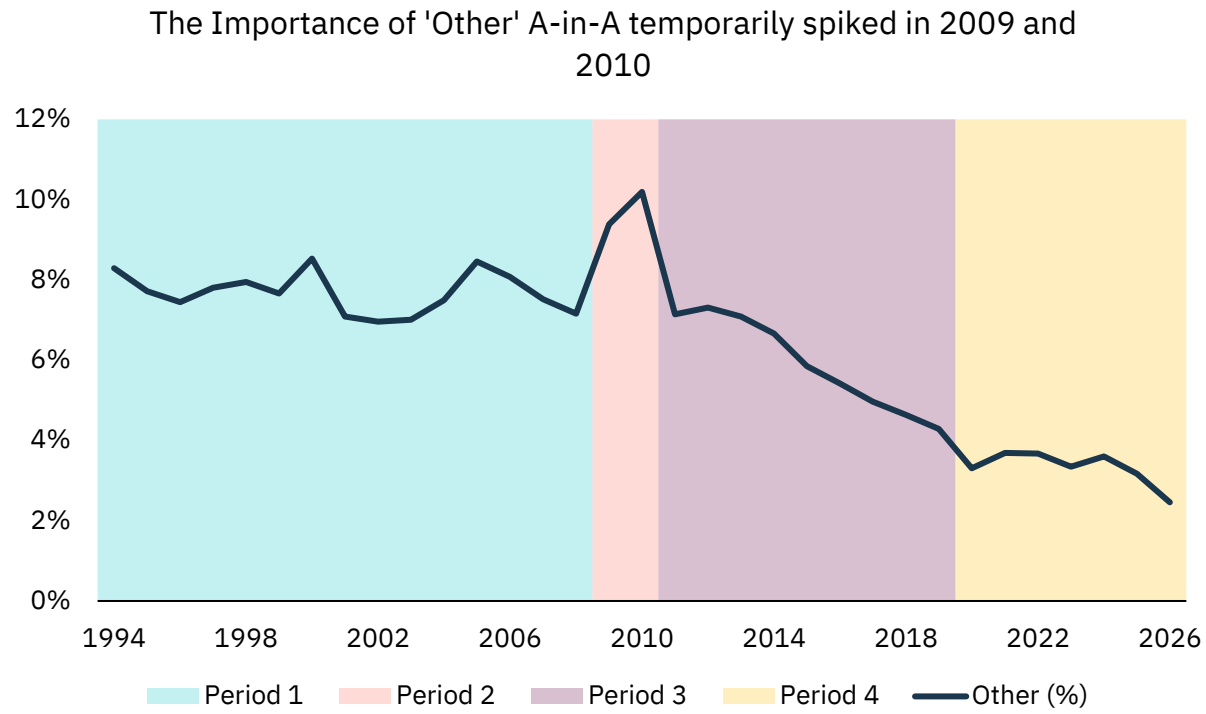
Table 3: Composition of Gross Government Spending (by funding source)

Period Averages	Other	SIF & NTF	Exchequer
1994-2008	7.7%	12.9%	79.5%
2009-2010	9.8%	14.3%	75.9%
2011-2019	5.9%	14.8%	79.3%
2020-2026	3.3%	14.3%	82.3%

Source: PBO based on Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 'Databank' (Accessed 17 February 2026).

Figure 9 illustrates the declining significance of 'Other' A-in-A since 1994 as well as highlighting the specific periods described above.

Figure 9: 'Other' A-in-A as a % of Gross Government Spending

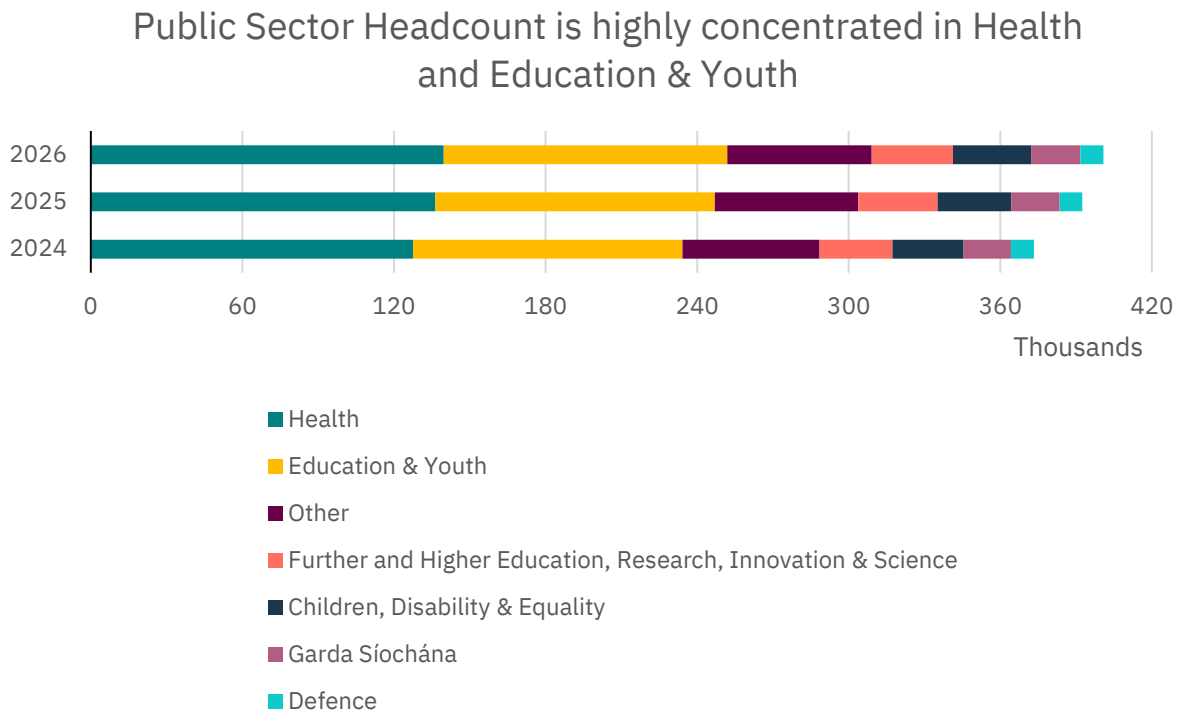


Source: PBO based on Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 'Databank' (Accessed 17 February 2026).

6. Public Sector Workforce

Each year the REV includes the forecast headcount of staff associated with each Vote. Figure 10 shows these forecasts for the period 2024-2026, reflecting an overall increase of ~7.4%. The 2026 increase is 2.1% over the levels projected for 2025

Figure 10: Public Sector Headcount Forecasts

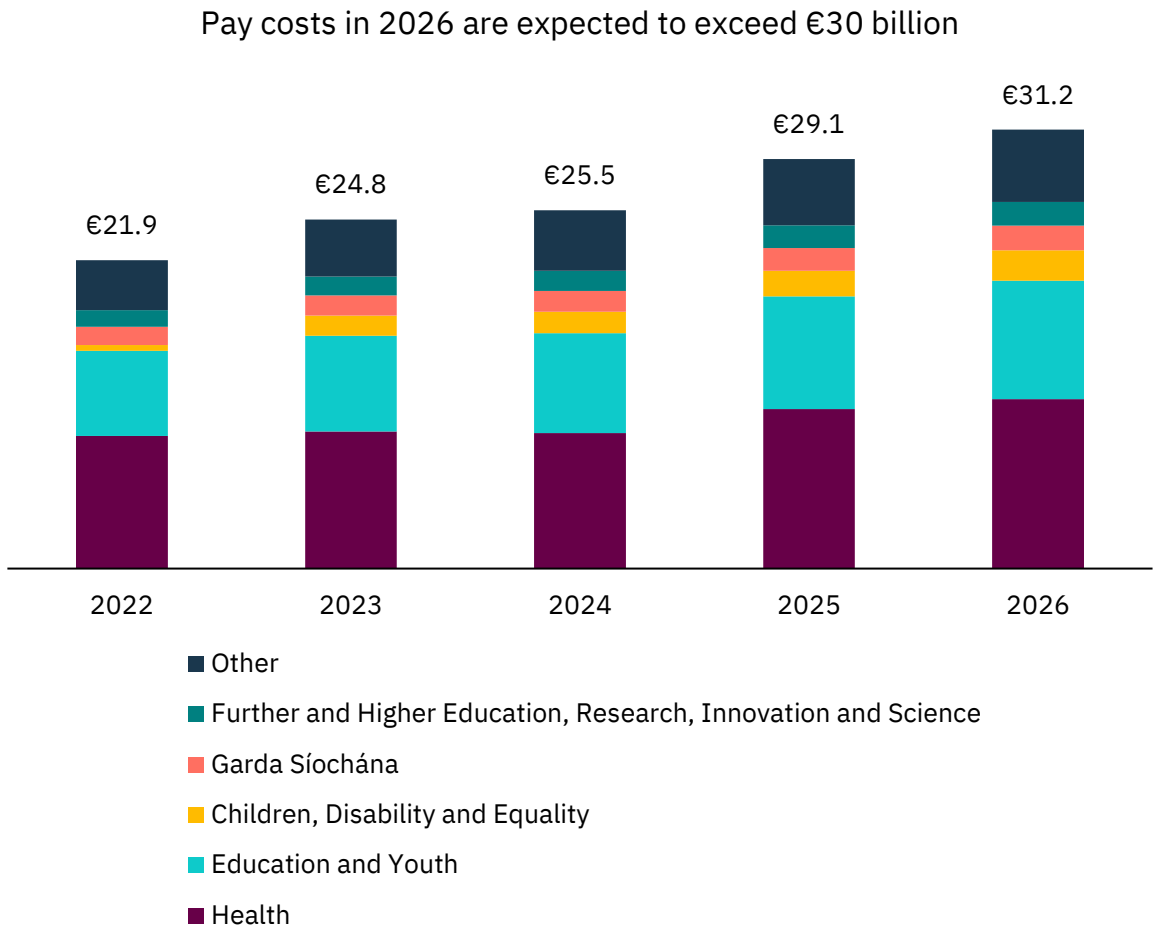


Source: Revised Estimates for Public Services (Various).

Figure 11 shows the growth in public sector pay estimates between 2022 and 2026 and highlights the main Votes that this spending is associated with. **Almost €2 of every €3 estimated to be spent on pay in 2026 is associated with just two Votes**. These are:

- Health Vote: €12.04 billion (38.6%).
- Education & Youth Vote: €8.43 billion (27%).

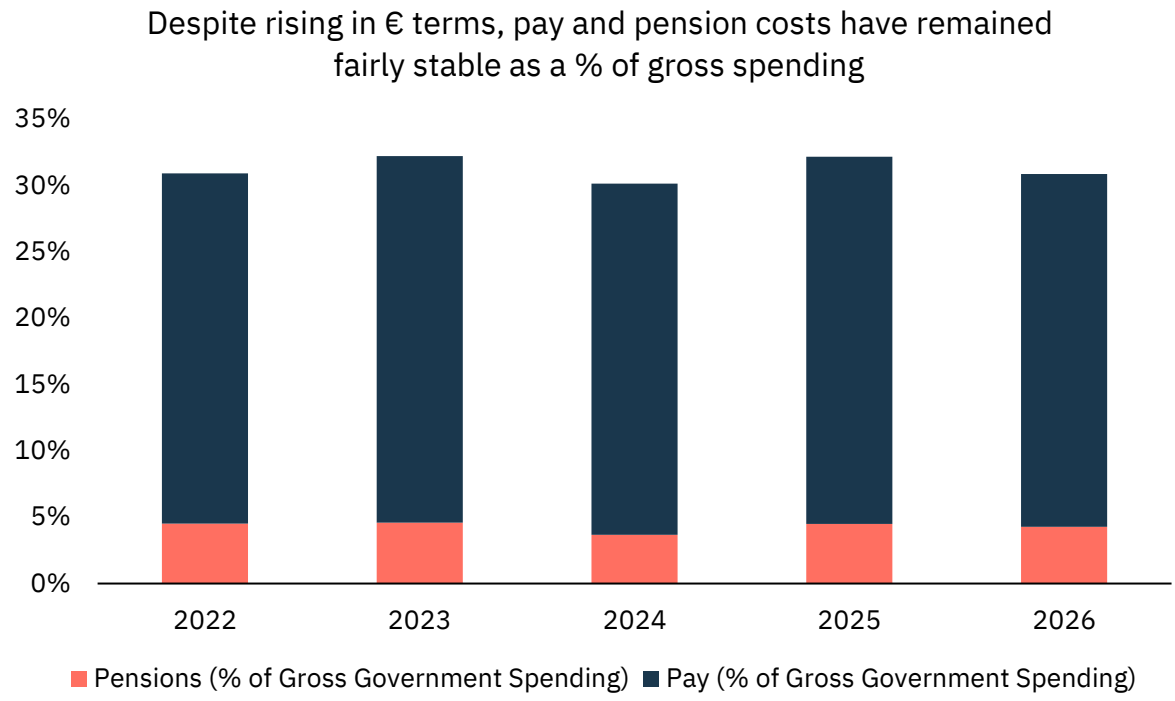
Figure 11: Pay in the Revised Estimates



Source: Revised Estimates for Public Services (Various).

Figure 12 shows pay and pension estimates for 2022 to 2026. **Despite the combined estimated cost of pay and pensions having risen by almost €10.6 billion (41.2%), they have remained fairly stable as a % of Gross Government Spending (ranging between 30.9% to 32.2%).**

Figure 12: Pay and Pension Estimates (% of Gross Government Spending)



Source: Revised Estimates for Public Services (Various).

7. Conclusion

The publication of Revised Estimates is a significant milestone in Ireland's budgetary cycle each year. It details billions of euros worth of public spending, aiding transparency. It also facilitates scrutiny of value for money through the inclusion of performance metrics.

This information is scrutinised by Select Committees of the Houses of the Oireachtas before being Voted upon in Dáil Éireann.

Estimates and outturn have been increasing year-on-year. The 2026 estimate exceeds €117 billion euro. It is concerning that the annual increases in gross Government spending have grown larger (in both monetary and percentage terms) since the pandemic. It remains to be seen if plans for a slowing down in the rate of annual increases is realistic.[16]

Just 16% of this year's estimates are expected to be funded through A-in-A, with more than 84% funded directly by the Exchequer, mainly through tax revenues. One category of A-in-A ('Other') has ceased to be a significant contributor to the funding of public services. While this may be an intentional policy carried across successive Governments, the matter merits consideration to determine if fees for services could be increased, or if new charges may be merited. While charges may be unpopular, it could be argued that the users of specific services should contribute to the costs of that service, rather than it being funded entirely from the Central Fund.

[16] See Table 1 of Department of Department of Finance, Medium-Term Fiscal and Structural Plan (December 2025) p.3.

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