

## **FAST FACTS**

### **2015 Revenue and Expenditure**

#### **Based on 2015 appropriation accounts and final tax outturn figures**

#### **Key Figures:**

##### **Deficit**

- 2015 Exchequer Deficit of less than €0.1bn
- Exchequer Deficit fell by €8.1bn from its 2014 level
- The Exchequer balance included certain transactions that did not impact on the General Government Balance including sales of shareholding in Bank of Ireland and of PTSB Contingent Capital Notes. Excluding such items the General Government Deficit for 2015 was €5 billion. The 2014 deficit was €7.2 billion. The General Government Deficit was €1.5 billion in 2016.
- A deficit of 2% of GDP was recorded in 2015 which significantly overachieved the EDP General Government Deficit target of 2.9% and the Budget 2015 deficit target of 2.7%.

##### **Tax**

- Tax Revenues at €45.6bn, up €4.3bn (10.5%) year-on-year and €3.3bn (7.8%) ahead of target
- Income Tax increased by €1.2bn (7%) and amounted to €18.4bn in 2015
- VAT increased by €0.8bn (7.1%) and amounted to €12bn in 2015
- Corporation Tax receipts were €2.2bn ahead of profile (50%)
- These tax heads demonstrate the strong recovery in the labour market and the domestic economy

##### **Expenditure**

- Gross Voted expenditure amounted to €54.6bn, €1.4bn ahead of profile (2.6%) and €0.5bn up (1%) on the 2014 figure
- Net Voted expenditure Issues amounted to €42.7bn, €1bn (2.5%) ahead of profile and up €0.3bn (0.7%) on the 2014 figure.

### **Deficit Reduction**

- The public finances continue to perform ahead of previous expectations. The General Government Deficit for 2015 was €5 billion down from €7.2 billion in 2014.
- This has been driven by the €4.3bn (10.5%) increase in tax revenues (supported by strong employment growth and the improving domestic economy) and the sustained control over public expenditure.

### **Taxation**

- All areas of taxation performed strongly in 2015, and taxes finished the year at €45.6bn, €4.3bn above 2014 levels and over €3.3bn (7.8%) ahead of profile. The strongest performing tax heads were Corporation Tax (€2.3bn ahead of profile and y-on-y) and Income Tax (€0.4bn ahead of profile and €1.2bn y-on-y).

### **Voted Expenditure**

- Gross Voted expenditure amounted to €54.6bn in 2015 which is €1.4bn (2.6%) ahead of profile, and €0.5bn (1%) higher than in 2014.
- In net terms, Net Voted expenditure amounted to €42.7bn in 2015 and was €1bn (2.5%) ahead of profile.
- The main areas where current expenditure was ahead of profile were Health, Social Protection and Education.
- 7 out of 16 Ministerial Vote Groups were at or below profile. Ministerial Vote Groups requiring Supplementary Estimates, were in most instances able to obtain savings to offset or partially offset the Supplementary Estimate from within their Vote Groups.

### 2015 Supplementary Estimates and Outturn v Profile

- Given the degree of fiscal space available Supplementary Estimates were provided to Departments facing increased demands, and also to bring forward a number of vital infrastructure and Capital investment projects.
- €0.2 billion was provided for capital investment by way of Supplementary Estimate.
- The total amount of Supplementary Estimates voted by Dáil Éireann in 2015 was €1.4 billion.
- Based on the appropriation account data, the actual net expenditure variance versus the original expenditure profile for the year was €1.0 billion and reflected savings across a number of Departments with **7 out of 16 Vote Groups and 29 out of 41 Vote Groups below profile.**
- The table below compares the net expenditure variance versus the original expenditure profile, as reported in the provisional outturn data with the Supplementary Estimate amount.

<b>Ministerial Vote Group</b>	<b>Supplementary Estimates</b>	<b>Outturn Over Profile**</b>
	<i>€ million</i>	<i>€ million</i>
Taoiseach's	2	(11)
Finance	0	(18)
Public Expenditure and Reform	17	(47)
Justice	41	18
Education	175	166
Foreign Affairs	0	(10)
Communications, Energy and Natural Resources	0	(9)
Agriculture	104	53
Transport ***	100	107
Enterprise	50	23
Arts, Heritage and the Gaeltacht	0	(3)
Environment	0	(84)
Defence	7	(7)
Social Protection	299	247
Health	600	592
Children and Youth Affairs	15	5
Contingency	0	0
<b>Total</b>	<b>1,410</b>	<b>1,022</b>

\*Rounding affects totals.

\*\* Includes capital carryover of €77m from 2014 into 2015.

\*\*\* Capital carryover from 2015 to 2016 was €10m lower than prior year.

## Supplementary Estimates 2015

### **Vote 6 – Office of the Chief State Solicitor (Substantive): €1.5m**

The proposed *substantive* Supplementary Estimate is required in order to cover additional legal costs arising from an increase in the number and complexity of cases being dealt with by the Chief State Solicitor's Office.

### **Vote 7 – Finance (Technical): €0.001m**

The proposed *technical* Supplementary Estimate is required to make provision for a new fuel grant to replace the excise repayment on fuel element of the Disabled Drivers and Disabled Passenger (Tax Concessions) Scheme. This Supplementary Estimate will allow spending on the scheme to commence in January.

### **Vote 12 – Superannuation (Substantive): €16.8m**

The proposed *substantive* Supplementary Estimate is required to deal with pressures arising from increased pension payroll and pension lump sum costs due to higher than profiled retirements. While the amount now required is €4.4m higher than the amount indicated in the Expenditure Report 2016, it is anticipated that this increase will be more than offset by savings elsewhere within the Public Expenditure and Reform Group.

### **Vote 17 – Public Appointments Service (Substantive): €0.4m**

The proposed *substantive* Supplementary Estimate is required in order to cover costs arising from increased levels of recruitment and selection activity in the Public Appointments Service in the current year.

### **Vote 20 – Garda Síochána (Substantive): €35.2m**

The proposed *substantive* Supplementary Estimate is primarily required for additional payroll costs of approximately €33.8 million. This additional requirement includes the costs relating to anti-crime and anti-burglary measures, security costs relating to the State Visit of the Prince of Wales and the expenditure arising from the timing of the payment of allowances and overtime for the final roster period of the year. The additional requirement will be offset in part by surrender balances of at least €8 million in respect of other votes in the Justice Group.

### **Vote 21 – Prisons (Substantive): €6.3m**

The proposed *substantive* Supplementary Estimate is required to address an additional requirement in payroll costs of €5 million and €1 million in respect of the capital building programme.

### **Vote 26 – Education and Skills (Substantive): €175m**

The proposed *substantive* Supplementary Estimate is required to fund: the policy decision to provide for a Capital Summer Works Programme on school buildings (€50m); the reinstatement of prior year scheduling for student support payments (€61m); additional superannuation costs arising from increased retirements (€33m); costs arising from decision to pay 75% Social Protection Christmas Bonus (€3m); and a shortfall in appropriations in aid relating to the pension related deduction (€12m).

**Vote 29 – Communications, Energy and Natural Resources (Technical): €0.001m**

The proposed *technical* Supplementary Estimate is required to reallocate funds from the Communications programme to the Energy programme and to facilitate the reinvestment of additional petroleum data sale receipts of €4 million in petroleum exploration related data acquisition/research projects.

**Vote 30 – Agriculture, Food and the Marine (Substantive): €104m**

The proposed *substantive* Supplementary Estimate is required to meet a liability maturing in 2015 in respect of EU funded programme repayments.

**Vote 31 – Transport, Tourism and Sport (Substantive): €100m**

The proposed *substantive* Supplementary Estimate is required primarily to fund additional expenditure on the Public Transport Investment Programme for the maintenance of the heavy rail network and expansion of the PSO bus fleet, and on the Roads Programme to address critical works on the national road network and improve sub-standard road pavements on regional and local roads.

**Vote 32 – Jobs, Enterprise and Innovation (Substantive): €50m**

The proposed *substantive* Supplementary Estimate is required to provide €21 million to support two distinct elements of IDA business, Regional Property Investments and Grants to Industry. Further capital funds are also to be provided for the Science and Technology Programme (€7 million) and the Programme for Research in Third-Level Institutions (€22 million).

**Vote 35 – Army Pensions (Substantive): €6.5m**

The proposed *substantive* Supplementary Estimate is required to cover the additional cost of €6.5m on the Army Pensions Vote (Vote 35) arising from the increased number of pensioners. Sufficient savings have been found elsewhere on the Defence Vote (Vote 36) to cover the additional amount required on Vote 35.

**Vote 37 – Social Protection (Substantive): €299m**

The proposed *substantive* Supplementary Estimate is required to fund: the policy decision to provide for a 75% Christmas Bonus for people in receipt of long-term social welfare payments (€197 million); the timely receipt by pensioners of the State Pension that would fall on 1 January 2016 (€127 million); and overruns on a number of schemes. These additional gross expenditure amounts are partially offset by additional PRSI receipts for the year.

**Vote 38 – Health (Substantive): €600m**

The proposed *substantive* Supplementary Estimate is required in relation to overruns mainly in Acute Hospitals, PCRS, Social Care, State Claims and Pensions and to fund policy decisions

made during the year for the delayed discharge initiative and Fair Deal scheme, the hospital waiting lists and winter initiative. In gross voted expenditure terms, there is an additional amount required of €665 million that is partially offset in net terms by increased receipts of €65 million.

**Vote 40 – Children and Youth Affairs (Substantive): €15m**

The proposed *substantive* Supplementary Estimate is required to meet costs arising from an IR settlement relating to Twilight Hours payments and from emerging service pressures being experienced in the areas of private residential care and private foster care payments.

**Q&A'S**

- **BRIEF QUESTION AND ANSWER SECTION**