

# Health Service Executive

## Statement of Revenue Income and Expenditure

For the year ended 31 December 2023

	Notes	2023 €'000	2022 €'000
<b>Income</b>			
Department of Health Revenue Grant	3(a)	20,750,200	22,482,176
Department of Children, Equality, Disability, Integration and Youth Revenue Grant	3(a)	2,720,918	-
Deficit on Revenue Income and Expenditure brought forward	3(b)	(185,163)	(195,034)
		23,285,955	22,287,142
Patient Income	4	333,018	370,839
Other Income	5	555,418	520,326
		24,174,391	23,178,307
<b>Expenditure</b>			
Pay and Pensions			
Clinical	6 & 7	5,356,980	4,911,191
Non Clinical	6 & 7	1,857,534	1,739,687
Other Client/Patient Services	6 & 7	1,250,500	1,134,638
		8,465,014	7,785,516
Non Pay			
Clinical	8	2,007,253	2,189,035
Patient Transport and Ambulance Services	8	121,162	108,559
Primary Care and Medical Card Schemes	8	4,510,297	4,177,680
Other Client/Patient Services	8	36,100	32,728
Grants to Outside Agencies	8	6,743,250	6,342,192
Housekeeping	8	428,196	372,129
Office and Administration Expenses	8	1,142,484	1,090,080
Other Operating Expenses	8	15,538	12,163
Long Stay Charges Repaid to Patients	9	(28)	(366)
Hepatitis C Insurance Scheme	10	1,109	840
Payments to State Claims Agency	11	506,365	482,617
Nursing Home Support Scheme (Fair Deal) - Private Nursing Home only	12	772,263	770,297
		16,283,989	15,577,954
<b>Total Expenditure</b>		<b>24,749,003</b>	<b>23,363,470</b>
<b>Net Operating Deficit for the Year</b>		<b>(574,612)</b>	<b>(185,163)</b>

All gains and losses with the exception of depreciation and amortisation have been dealt with through the Statement of Revenue Income and Expenditure and the Statement of Capital Income and Expenditure.

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.

Ciaran Devane  
Chairperson  
28 June 2024

Bernard Gloster  
CEO  
28 June 2024

# Health Service Executive

## Statement of Capital Income and Expenditure

For the year ended 31 December 2023

	Notes	2023 €'000	2022 €'000
<b>Income</b>			
Department of Health Capital Grant	3(a)	1,096,695	1,249,150
Department of Children, Equality, Disability, Integration and Youth Capital Grant	3(a)	21,370	-
Deficit on Capital Income and Expenditure brought forward	3(b)	-	(45,462)
		1,118,065	1,203,688
Revenue Funding Applied to Capital Projects		2,481	1,848
Application of Proceeds of Disposals		1,158	1,442
Government Departments and Other Sources	13(c)	1,912	8,097
		1,123,616	1,215,075
<b>Expenditure</b>			
Capital Expenditure on HSE Capital Projects	13(b)	708,944	635,904
Capital Grants to Outside Agencies (Appendix 1)	13(b)	346,792	531,706
		1,055,736	1,167,610
<b>Net Capital Surplus for the Year</b>		67,880	47,465

All gains and losses with the exception of depreciation and amortisation have been dealt with through the Statement of Revenue Income and Expenditure and the Statement of Capital Income and Expenditure.

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28 June 2024

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# Health Service Executive

## Statement of Changes in Reserves

For the year ended 31 December 2023

	Notes	Revenue Reserves €'000	Capital Reserves €'000	Capitalisation Account €'000	Total €'000
<b>Balance at 1 January 2022 (as previously reported)</b>		(1,253,224)	(184,449)	5,675,287	4,237,614
Transfer of (Deficit)/Surplus in accordance with <i>Section 33(3) of the Health Act 2004</i> , as amended	3(b)	195,034	45,462		240,496
Net (Deficit)/Surplus for the year		(185,163)	47,465		(137,698)
Proceeds of Disposal Account - reserves movement	14		34		34
Additions to Property, Plant and Equipment in the year	13(a)			467,399	467,399
State Investment in PPP Service Concession Arrangements				5,490	5,490
Less: Net book value of Property, Plant and Equipment disposed in year				(26,440)	(26,440)
Less: Depreciation charge in year				(276,742)	(276,742)
<b>Balance at 31 December 2022</b>		(1,243,353)	(91,488)	5,844,994	4,510,153
<b>Balance at 1 January 2023</b>		(1,243,353)	(91,488)	5,844,994	4,510,153
Capitalisation of previous years expenditure*	13(a)			13,485	13,485
Transfer of Deficit/(Surplus) in accordance with <i>Section 33(3) of the Health Act 2004</i> , as amended	3(b)	185,163	(47,465)		137,698
Net (Deficit)/Surplus for the year		(574,612)	67,880		(506,732)
Proceeds of Disposal Account - reserves movement	14		(34)		(34)
Additions to Property, Plant and Equipment in the year	13(a)			475,751	475,751
State Investment in PPP Service Concession Arrangements				3,847	3,847
Less: Net book value of Property, Plant and Equipment disposed in year				(29,113)	(29,113)
Less: Depreciation charge in year	15			(272,339)	(272,339)
<b>Balance at 31 December 2023</b>		(1,632,802)	(71,107)	6,036,625	4,332,716

\* Expenditure incurred in prior years but not capitalised

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.

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28 June 2024

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28 June 2024

# Health Service Executive

## Statement of Financial Position

As at 31 December 2023

	Notes	2023 €'000	2022 €'000
<b>Fixed Assets</b>			
<b>Property, Plant and Equipment</b>	15	6,172,651	5,984,866
<b>Financial Assets</b>		444	271
<b>Total Fixed Assets</b>		<b>6,173,095</b>	<b>5,985,137</b>
<b>Current Assets</b>			
Inventories	16	190,191	268,003
Trade and Other Receivables	17	1,272,157	1,214,834
Cash		237,325	331,570
<b>Creditors (amounts falling due within one year)</b>	18	(3,299,708)	(3,072,887)
<b>Net Current Liabilities</b>		<b>(1,600,035)</b>	<b>(1,258,480)</b>
<b>Creditors (amounts falling due after more than one year)</b>	19	(148,627)	(155,730)
<b>Deferred Income</b>	20	(91,717)	(60,774)
<b>Net Assets</b>		<b>4,332,716</b>	<b>4,510,153</b>
<b>Capitalisation Account</b>		6,036,625	5,844,994
<b>Capital Reserves</b>		(71,107)	(91,488)
<b>Revenue Reserves</b>		(1,632,802)	(1,243,353)
<b>Capital and Reserves</b>		<b>4,332,716</b>	<b>4,510,153</b>

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.

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28 June 2024

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28 June 2024

# Health Service Executive

## Statement of Cash Flows

For the year ended 31 December 2023

	Notes	2023 €'000	2022 €'000
<b>Net Cash Inflow from Operating Activities</b>	21	(76,199)	(327,652)
<b>Cash Flow from Investing Activities</b>			
Cash payments for Capital purposes		(1,049,233)	(1,154,909)
Cash payments from Revenue for Capital purposes	13(a)	(33,995)	(36,570)
Interest received from Investing Activities		3,018	61
Receipts from sale of property, plant and equipment (excluding trade-ins)	14	1,125	1,476
<b>Net Cash Outflow from Investing Activities</b>		(1,079,085)	(1,189,942)
<b>Cash Flow from Financing Activities</b>			
Capital Grant received		1,118,065	1,249,150
Capital receipts from other sources	13c	1,912	8,097
State Investment in PPP Service Concession Arrangements		(3,847)	(5,490)
Payment of capital element of finance lease		(2,481)	(1,848)
Interest paid on loans and overdrafts		(9)	(16)
Interest paid on Service Concession Arrangements		(4,457)	(3,766)
Interest paid on finance leases		(679)	(752)
Capital Surplus Transferred to DOH	3(a)	(47,465)	0
<b>Net Cash Inflow from Financing Activities</b>		1,061,039	1,245,375
Increase in cash and cash equivalents in the year		(94,245)	(272,219)
Cash and cash equivalents at the beginning of the year		331,570	603,789
<b>Cash and cash equivalents at the end of the year</b>		237,325	331,570

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28 June 2024

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# Health Service Executive Notes to the Financial Statements

**Note 1** (a) Basis of Accounting Statement of Compliance and (b) COVID-19 are prepared separately (Word documents)

<b>Note 2</b> Operating Surplus	<b>2023</b>	<b>2022</b>
Net operating surplus for the year is arrived at after charging:	<b>€'000</b>	<b>€'000</b>
Audit fees	707	707
Remuneration CEO*	356	490

The Interim CEO (1st of January 2023 to 5th of March 2023) received total payments of €64,929 in basic pay in this capacity. The Interim CEO's expenses for 2023 amounted to €58. The CEO (6th of March 2023 to 31st of December 2023) received a total remuneration of €290,972. This comprised of basic pay of €290,972 only. The CEO is not in receipt of any allowances or benefit in kind (BIK). The CEO's total expenses for 2023 amounted to €2,519. The CEO is a member of the HSE pension scheme and their pension entitlements do not extend beyond the standard entitlements of the public sector model scheme.

	<b>2023</b>	<b>2022</b>
<b>Board members' expenses*</b>	<b>€</b>	<b>€</b>
Ciarán Devane	5,523	4,083
Professor Deirdre Madden	1,278	739
Fergus Finlay	0	0
Michelle O'Sullivan	0	0
Aogán Ó Fearghail	1,514	461
Dr Yvonne Traynor	387	131
Tim Hynes	449	262
Professor Fergus O'Kelly	0	0
Dr Sarah McLoughlin	712	131
Brendan Lenihan (resigned 25 March 2023)	282	592
Anne Carrigy	279	255
Brendan Whelan	1,061	511
Matt Walsh (appointed 15th May 2023)	0	0
	<b>11,485</b>	<b>7,165</b>

The Board of the HSE was established on 28th June 2019 as governing body of the HSE in accordance with the Health Service Executive (Governance) Act 2019. The Act provides for a Chief Executive Officer who is accountable to the Board, but is not a Board member. Fees are paid to Board members.

**Note 3** DoH and DCEDIY Revenue and Capital Grants

	<b>2023</b>	<b>2022</b>
<b>3(a) Department of Health Revenue and Capital Grant</b>	<b>€'000</b>	<b>€'000</b>
Net Revenue Funding allocated to HSE	21,846,895	23,706,949
Less: Capital Funding Department of Health 2023	(1,096,695)	(1,249,150)
Net Revenue Funding allocated to HSE	20,750,200	22,457,799
Once Off funding deferred until 2022	0	24,377
Department of Health Revenue Grant	<b>20,750,200</b>	<b>22,482,176</b>
<b>3(a) Department of Children, Equality, Disability, Integration and Youth Revenue Grant</b>	<b>€'000</b>	<b>€'000</b>
Net Revenue Funding allocated to HSE	2,742,288	0
Less: Capital Funding 2023	(21,370)	0
Department of Children, Equality, Disability, Integration and Youth Revenue Grant	<b>2,720,918</b>	<b>0</b>

The responsibility for policy, functions and funding related to disability services transferred on the 1st March 2023 from the Department of Health to the Department of Children, Equality, Disability and Youth. Details of the funding and expenditure in relation to disability services are provided in Appendix 3.

## Health Service Executive Notes to the Financial Statements

The table below provides further analysis of Department of Health funding received.

	2023	2022
	€'000	€'000
Opening Revenue Grant Balance due from Department of Health as at 1 January 2023	530,930	92,737
Revenue Grant - Funding allocation from the Department of Health	20,750,200	22,482,176
Less: Remittances from Department of Health between 1 January and 31 December	(20,748,308)	(22,019,606)
Less DOH Deferred income released from 2021	0	(24,377)
Revenue Grant balance due from Department of Health (up to Approved Allocation) as at 31 December	<u>532,822</u>	<u>530,930</u>
Opening Capital Grant Owed to Department of Health as at 1 January 2023	(67,406)	(67,406)
Capital Grant - Funding allocation from the Department of Health	1,096,695	1,249,150
	1,029,289	1,181,744
Less: Remittances from Department of Health between 1 January and 31 December	(1,096,695)	(1,249,150)
Less: Retraction of Capital First Surplus 2022 to the Department of Health	(47,465)	0
Capital Grant owed to the Department of Health as at 31 December	<u>(114,871)</u>	<u>(67,406)</u>
Total Revenue and Capital Grant due from Department of Health, up to Approved Allocation, as at 31 December		
<b>Note 17</b>	<u>417,951</u>	<u>463,524</u>

The table below provides further analysis of Department of Children, Equality, Disability, Integration and Youth funding received.

	2023	2022
	€'000	€'000
Opening Revenue Grant Balance due from DCEDIY as at 1 January 2023	0	0
Revenue Grant - Funding allocation from the DCEDIY	2,720,918	0
Less: Remittances from DCEDIY between 1 January and 31 December	(2,720,400)	0
Revenue Grant balance due from DCEDIY 2023 (up to Approved Allocation)	<u>518</u>	<u>0</u>
Opening Capital Grant Owed due from DCEDIY as at 1 January 2023	0	0
Capital Grant - Funding allocation from the DCEDIY	21,370	0
Less: Remittances from DCEDIY between 1 January and 31 December	(15,387)	0
Capital Grant due from DCEDIY as at 31 December	<u>5,983</u>	<u>0</u>
Total Revenue and Capital Grant due from DCEDIY up to Approved Allocation, as at 31 December		
<b>Note 17</b>	<u>6,501</u>	<u>0</u>

### 3(b) Transfer of (Deficit)/Surplus in accordance with Section 33(3) of the Health Act 2004, as amended

In 2022, the Revenue Income and Expenditure Account recorded a deficit for the year of €185.2m and the Capital Income and Expenditure Account recorded a surplus of €47.5m. These deficits/surpluses were included in the HSE Reserves at 31 December 2022. As directed by the Minister, pursuant to Section 33 of the Health Act (as amended), the Revenue deficit should be brought forward by the HSE and charged to the 2023 Income and Expenditure respectively and the Capital surplus should not be carried forward by the HSE against the 2023 Income and Expenditure. In 2023, total payments issued from the Health Vote to the HSE were less than the amount set out in the Minister's annual letter of determination by an amount of €1.89m. The DoH has offset the 2022 Capital surplus of €47.5m against the DoH debtor giving a net balance owed to the HSE of €417.95m for 2023.

In 2023, total payments issued from the DCEDIY Vote to the HSE were less than the amount set out in the Minister's annual letter of determination by an amount of €6.5m.

### Note 4 Patient Income

	2023	2022
	€'000	€'000
Private Charges	214,114	239,605
Inpatient Charges	8,231	24,613
Emergency Department Charges	18,128	17,320
Road Traffic Accident Charges	4,912	4,104
Long Stay Charges	82,169	77,634
EU Income - E111 Claims	5,464	7,563
	<u>333,018</u>	<u>370,839</u>

## Health Service Executive Notes to the Financial Statements

### Note 5 Other Income

	2023	2022
	€'000	€'000
<b>(a) Other Income</b>		
Superannuation Income	165,618	159,225
Additional Superannuation Contributions (ASC) deductions from HSE own staff	169,878	156,849
Additional Superannuation Contributions (ASC) deductions from service providers	70,231	69,253
Other Payroll Deductions	9,867	9,617
Secondment Recoupments of Pay	17,121	18,126
Agency/Services - provided to Local Authorities and other organisations	6,032	7,037
Canteen Receipts	12,610	10,199
Certificates and Registration Income	11,748	12,255
Parking	9,607	7,510
Refunds	13,338	13,546
Rental Income	5,818	4,460
Donations	1,636	1,226
Legal Costs Recovered	3,951	31
Income from other Agencies (See Note 5(b) analysis below)	41,710	39,146
Miscellaneous Income	16,253	11,846
	<u>555,418</u>	<u>520,326</u>
	2023	2022
	€'000	€'000
<b>(b) Income from Other Agencies *</b>		
Department of Foreign Affairs & Trade - Irish Aid: programme for overseas development	272	148
Friends of St. Luke's Rathgar	433	1,270
Department of Arts, Heritage, Regional and Gaeltacht Affairs - Helicopter Services	334	249
DCEDIY - Create II, Thalidomide and AMIF Grant Funding	586	169
Pobal/Slaointe Care	1,076	231
National Centre for Clinical Audit/Slaointe Care	420	810
Clinical Trials Ireland - Clinical Research Trials	393	535
EU Income - various projects	724	3,988
Genio Trust (Mental Health Projects)	926	2,353
Education and Training Boards/Solas	919	790
Regional Drug Task Force	0	245
IAEMO Multi-agency Funding (South)	156	92
Katherine Howard Foundation - Nurture	49	157
National Treatment Purchase Fund	29,186	25,130
Jigsaw (Mental Health Project)	0	589
UCC Oncology Clinical Trials	734	482
UHW Clinical Trials	108	154
Nursing and Midwifery Board of Ireland	286	218
Merck Sharp Dohme Clinical Trials	443	448
Aimmune Therapeutics UK Ltd (IQVIA Ltd.) Clinical Trials	139	5
UHG Clinical Trials	966	118
Pharma Research	48	160
MaryMount Donation	1,600	0
NEIC Development Grant	153	267
Galway Bay Radio Share proceeds	1,112	0
Friends of Wexford Hospital	0	138
DOH other special Projects	647	0
Kerry Hospice Donation	0	400
	<u>41,710</u>	<u>39,146</u>

\*Only income from agencies in excess of €100,000 in either year are shown. Income from Other Agencies that did not exceed €100,000 in either year is shown at Note 5(a) under Miscellaneous Income. Accordingly, the 2022 comparatives above have been re-stated where appropriate.



# Health Service Executive Notes to the Financial Statements

## Note 6 Pay and Pensions Expenditure \*\*

	2023 €'000	2022 €'000
<b>Clinical HSE Staff</b>		
Medical/Dental	1,303,821	1,155,644
Nursing	2,209,068	2,012,078
Health and Social Care Professional	887,997	799,677
Superannuation	633,095	550,545
	<u>5,033,981</u>	<u>4,517,944</u>
<b>Clinical Agency Staff</b>		
Medical/Dental	136,508	119,164
Nursing	149,508	130,032
Health and Social Care Professional	37,920	44,896
	<u>323,936</u>	<u>294,092</u>
<b>Non Clinical HSE Staff</b>		
Management/Administration	1,030,811	922,544
General Support Staff	423,694	411,246
Superannuation	228,574	217,977
	<u>1,683,079</u>	<u>1,551,767</u>
<b>Non Clinical Agency Staff</b>		
Management/Administration	80,671	100,906
General Support Staff	93,784	87,014
	<u>174,455</u>	<u>187,920</u>
<b>Other Client/Patient Services HSE Staff</b>		
Other Patient and Client Care	965,351	880,854
Superannuation	136,303	129,549
	<u>1,101,654</u>	<u>1,010,403</u>
<b>Other Client/Patient Services Agency Staff</b>		
Other Patient and Client Care	148,846	124,235
	<u>148,846</u>	<u>124,235</u>
<b>Pandemic Special Recognition Payment</b>		
HSE Staff	2,088	85,888
Agency Staff	(3,025)	13,267
	<u>(937)</u>	<u>99,155</u>
<b>Total Pay Expenditure</b>	<u>8,465,014</u>	<u>7,785,516</u>

\* The Pandemic Special Recognition Payment is included with Clinical Pay in the Statement of Revenue Income and Expenditure

\*\* In 2023 certain grade codes in some areas were reviewed, and this resulted in re-classifications of pay categories.

# Health Service Executive Notes to the Financial Statements

## Note 6 Summary Analysis of Pay Costs

	Clinical 2023 €'000	Non Clinical 2023 €'000	Other Client/ Patient Services 2023 €'000	Pandemic Special Recognition Payment 2023 €'000	Total 2023 €'000	Total 2022 €'000
Basic Pay	3,316,936	1,251,353	697,263	0	5,265,552	4,730,778
Allowances	110,183	7,312	25,959	0	143,454	190,614
Overtime	235,934	21,098	46,525	0	303,557	276,579
Night duty	79,395	6,331	26,342	0	112,068	100,741
Weekends	160,214	34,398	78,192	0	272,804	240,057
On-Call	81,644	2,812	108	0	84,564	72,126
Arrears	10,886	4,102	1,360	0	16,348	5,030
Pandemic Special Recognition Payment	0	0	0	2,088	2,088	85,888
Wages and Salaries	3,995,191	1,327,406	875,749	2,088	6,200,434	5,701,813
Employer PRSI	405,695	127,099	89,602	0	622,396	566,118
Superannuation*	633,095	228,574	136,303	0	997,972	898,071
Total HSE Pay	5,033,981	1,683,079	1,101,654	2,088	7,820,802	7,166,002
Agency Pay	323,936	174,455	148,846	(3,025)	644,212	619,514
Total Pay	5,357,917	1,857,534	1,250,500	(937)	8,465,014	7,785,516

Total Pay Costs above relate to HSE services only. Pay costs for employees in the voluntary sector are accounted for under Non-Pay Expenditure (Revenue Grants to Outside Agencies). See Note 8 and Appendix 1.

### Superannuation

Eligible staff employed in the HSE are members of a variety of defined benefit superannuation schemes.

Superannuation entitlements (i.e. pensions) of retired staff are paid out of current income and are charged to income and expenditure in the year in which they become payable. In accordance with a Directive from the Minister for Health, no provision is made in the financial statements in respect of future pension benefits and no charge is made to the Statement of Revenue Income and Expenditure in respect of this. Superannuation contributions from employees who are members of these schemes are credited to the Statement of Revenue Income and Expenditure when received. No formal actuarial valuations of the HSE's pension liabilities are carried out. The Pension charge to the Statement of Revenue Income and Expenditure for 2023 was €998m (2022: €898m), which included payments in respect of once-off lump sums and gratuity payments on retirement of €171m (2022: €159m)

	2023 €'000	2022 €'000
*Analysis of Superannuation		
Ongoing superannuation payments to pensioners	826,965	739,073
Once-off lump sums and gratuity payments	171,007	158,998
	<u>997,972</u>	<u>898,071</u>

### Termination Benefits

	2023 €'000	2022 €'000
Termination benefits charged to Statement of Revenue Income and Expenditure	1,692	426
	<u>1,692</u>	<u>426</u>

The termination benefits above relate to settlements with three staff members during 2023 (2022: two staff members).

In addition to the payments outlined above, no staff member was granted added years on termination. The value of enhanced pension arrangements was €nil.

Legal costs of €96,716 (2022: €26,867) were also incurred in relation to concluding the termination agreements.

## Health Service Executive Notes to the Financial Statements

### Note 7 Employment

Employment levels at 31 December by Sector & Care Group expressed as whole time equivalents (WTEs): \*

	2023	2022*
Acute Hospital Services	44,047	41,114
Mental Health	10,444	10,023
Primary Care	11,868	11,284
Disabilities	4,408	4,200
Older Persons	13,389	13,216
Community Health & Wellbeing	390	322
Health and Wellbeing	636	676
Ambulance Services	2,321	2,067
National Services & Central Functions***	6,204	5,492
CHO Operations	989	833
<b>Total HSE employees</b>	<b>94,696</b>	<b>89,227</b>
Section 38 Acute Hospitals	33,210	30,874
Section 38 Voluntary Agencies	18,079	17,645
<b>Sub-total Section 38 Sector employment levels **</b>	<b>51,289</b>	<b>48,519</b>
<b>Total Health Sector Employment levels (WTE)</b>	<b>145,985</b>	<b>137,746</b>

Source: Health Service Personnel Census

\*All figures are calculated to 2 decimals and expressed as whole-time equivalents (WTE) under a methodology as set out by the Department of Health

\*\* Health Sector staffing figures relate to direct employment levels as returned through the Health Service Personnel Census (HSPC) for the public health sector (HSE & Section 38 Voluntary Hospitals & Agencies).

\*\*\* National Services & Corporate Functions includes HR, Finance and other central services together with PCRS, National Screening Services, Environmental Health etc.

## Health Service Executive Notes to the Financial Statements

### Additional Analysis - Department of Expenditure and Reform Circular 13/2014 requirement

The number of HSE employees whose total employee benefits (including basic pay, allowances, overtime, night duty, weekends, on-call, arrears and excluding employer PRSI, employer pension costs) for the reporting period fell within each band of €10,000 from €60,000 upwards are as follows:

Pay Band (Number of Staff)	2023	2022
€60,001 to €70,000	14,394	12,805
€70,001 to €80,000	8,869	7,228
€80,001 to €90,000	4,394	3,738
€90,001 to €100,000	2,840	2,132
€100,001 to €110,000	1,391	1,078
€110,001 to €120,000	777	679
€120,001 to €130,000	541	439
€130,001 to €140,000	359	223
€140,001 to €150,000	199	175
€150,001 to €160,000	150	168
€160,001 to €170,000	152	178
€170,001 to €180,000	142	196
€180,001 to €190,000	160	215
€190,001 to €200,000	154	220
€200,001 to €210,000	179	164
€210,001 to €220,000	175	217
€220,001 to €230,000	174	170
€230,001 to €240,000	152	197
€240,001 to €250,000	150	111
€250,001 to €260,000	180	84
€260,001 to €270,000	132	69
€270,001 to €280,000	147	43
€280,001 to €290,000	92	37
€290,001 to €300,000	74	30
€300,001 to €310,000	45	15
€310,001 to €320,000	47	9
€320,001 to €330,000	44	17
€330,001 to €340,000	28	6
€340,001 to €350,000	19	8
€350,001 to €360,000	16	6
€360,001 to €370,000	12	5
€370,001 to €380,000	13	1
€380,001 to €390,000	11	6
€390,001 to €400,000	8	5
€400,001 to €410,000	7	2
€410,001 to €420,000	5	2
€420,001 to €430,000	4	1
€430,001 to €440,000	2	0
€440,001 to €450,000	4	0
€450,001 to €460,000	1	1
€460,001 to €470,000	1	3
€470,001 to €480,000	2	1
€480,001 to €490,000	1	0
€490,001 to €500,000	2	1
€500,001 to €510,000	0	2
€510,001 to €520,000	2	0
€540,001 to €550,000	0	2
€560,001 to €570,000	1	0
€570,001 to €580,000	0	1
€580,001 to €590,000	0	1
€590,001 to €600,000	3	0
€620,001 to €630,000	1	0
€670,001 to €680,000	1	0
€700,001 to €710,000	1	0
€710,001 to €720,000	0	1
€960,001 to €970,000	1	0
€970,001 to €980,000	0	1
<b>Total HSE employees</b>	<b>36,259</b>	<b>30,693</b>

\*The HSE does not have an integrated payroll system and this disclosure which is required by DPER circular 13/2014 has therefore been prepared from multiple payroll systems across HSE areas.

## Health Service Executive Notes to the Financial Statements

### Note 8 Non Pay Expenditure\*\*

		2023 €'000	2022 €'000
Clinical	Drugs and Medicines (excl. demand led schemes)	586,596	644,394
	Less Rebate from Pharmaceutical Manufacturers*	(15,593)	(12,385)
	Net Cost Drugs and Medicines (excl. demand led schemes)	571,003	632,009
	Blood/Blood Products	36,514	31,942
	Medical Gases	22,632	15,959
	Medical/Surgical Supplies	477,108	531,447
	Other Medical Equipment	207,057	200,432
	X-Ray/Imaging	120,215	92,258
	Laboratory	233,023	398,375
	Professional Services (e.g. therapy costs, radiology etc.)	245,897	201,927
	Education and Training	93,804	84,686
		<u>2,007,253</u>	<u>2,189,035</u>
Transport and Ambulance Services	Patient Transport	88,365	73,768
	Vehicles Running Costs	27,285	25,393
	Transport and Logistical relating to purchase of PPE	5,512	9,398
		<u>121,162</u>	<u>108,559</u>
Primary Care and Medical Card Schemes	Pharmaceutical Services	3,115,039	2,899,290
	Less Rebate from Pharmaceutical Manufacturers*	(343,087)	(270,814)
	Less Prescription Levy Charges	(65,298)	(63,579)
	Net Cost Pharmaceutical Services	2,706,654	2,564,897
	Doctors' Fees and Allowances	888,730	856,650
	Pension Payments to Former District Medical Officers/Dependents	1,134	1,399
	Dental Treatment Services Scheme	65,382	51,474
	Community Ophthalmic Services Scheme	27,809	26,217
	Cash Allowances (Blind Welfare, Mobility etc.)	26,504	28,162
	<u>Capitation Payments:</u>		
	Treatment Abroad Schemes and Related Expenditure	66,173	54,626
	Intellectual/Physical Disabilities, Psychiatry, Therapeutic Services etc.	493,212	393,086
	Elderly and Non-Fair Deal Nursing Home Payments	189,067	151,798
	Rehabilitative and Vocational Training	16,393	20,733
	Respite Beds	29,239	28,638
		<u>4,510,297</u>	<u>4,177,680</u>
Other Client/Patient Services	Professional Services e.g. care assistants, childcare contracted services etc.	34,732	31,813
	Education and Training	1,368	915
		<u>36,100</u>	<u>32,728</u>
Grants to Outside Agencies	Revenue Grants to Outside Agencies (Appendix 1)	6,743,250	6,342,192
		<u>6,743,250</u>	<u>6,342,192</u>
Housekeeping	Catering	94,010	78,075
	Heat, Power and Light	116,045	88,785
	Cleaning and Washing	170,692	161,125
	Furniture, Crockery and Hardware	29,084	27,398
	Bedding and Clothing	18,365	16,746
		<u>428,196</u>	<u>372,129</u>

## Health Service Executive Notes to the Financial Statements

Office and Administration Expenses	Maintenance	211,463	215,566
	Finance Costs	4,253	3,367
	Prompt Payment Interest and Compensation	2,518	1,874
	Insurance	10,189	8,468
	Audit	707	707
	Legal and Professional Fees	245,164	224,298
	Bad and Doubtful Debts	41,265	38,030
	Education and Training	28,231	21,014
	Travel and Subsistence	91,246	72,848
	Vehicle Costs	3,630	4,644
	Office Expenses	224,559	239,936
	Rent and Rates	127,149	134,906
	Computers and Systems Maintenance	152,110	124,422
		<u>1,142,484</u>	<u>1,090,080</u>
Other Operating Expenses	Licences	1,402	1,199
	Sundry Expenses	9,878	7,191
	Burial Expenses	106	98
	Recreation (Residential Units)	1,600	1,311
	Materials for Workshops	260	273
	Meals on Wheels Subsidisation	1,661	1,587
	Ex Gratia Payments to Patients (Cervical Check)	0	4
	Refunds	631	500
		<u>15,538</u>	<u>12,163</u>

*\*In respect of current IPHA Agreement and special arrangements for specific drugs and medicines.*

*\*\*Note 1(b) provides additional analysis in respect of material year on year increases*

# Health Service Executive

## Notes to the Financial Statements

### Note 9 The Health (Repayment Scheme) Act 2006

The Health (Repayment Scheme) Act 2006 provides the legislative basis for the repayment of what has been referred to as 'long stay charges', which were incorrectly levied on persons with full medical card eligibility prior to 14 July 2005. The scheme allows for the repayment of charges to the following people:

- Living people who were wrongly charged at any time since 1976
- The estates of people who were wrongly charged and died on or after 9 December 1998

A special account was set up which is funded by monies provided by the Oireachtas and from which repayments are made. An amount of €0.5m was set aside in 2023 for this purpose but not expended. The majority of this funding refers to a provision for payments that will arise as a result of follow-on claims and offer acceptances.

The scheme closed to new applicants on 31 December 2007. 14,000 claims have been received in respect of living patients and nearly 27,000 claims in respect of estates. Up to 31 December 2023, 20,304 claims were paid. As at December 2023, there were no outstanding claims being processed to offer stage under the scheme. €0.5m has been provided in the HSE's 2024 budget to fund repayments for outstanding claims and associated administrative costs.

The cumulative total expenditure of the scheme (including administrative costs) to 31 December 2023 is €485.96m

In 2023, the following expenditure has been charged to the Statement of Revenue Income and Expenditure in respect of the Repayments Scheme:

	2023 €'000	2022 €'000
Pay	0	0
Non Pay		
Repayments to Patients**	(28)	(366)
	(28)	(366)
Office Expenses*	0	0
Total Non Pay	(28)	(366)
Total	(28)	(366)

\*All expenditure in relation to the Health (Repayment Scheme) Act 2006 is included in HSE expenditure.

\*\* Please note Income received in amount of €39k was received in 2023 and one repayment to claimant in amount of €11k was repaid in 2023.

### Note 10 The Hepatitis C Compensation Tribunal (Amendment) Act 2006

The Hepatitis C Compensation Tribunal (Amendment) Act 2006 established a statutory scheme to address insurance difficulties experienced by persons infected with Hepatitis C and HIV through the administration within the State of blood and blood products. This scheme addresses the problems faced by these persons due to their inability to purchase mortgage protection and life assurance policies as a result of contaminated blood products being administered to them. The scheme covers the insurance risk, regardless of any other medical conditions these persons may have, when payment is made of the standard premium that an uninfected person of the same age and gender would be entitled to.

The overall cost over the lifetime of the scheme was originally estimated at €90m. The cumulative expenditure on the insurance scheme to 31 December 2023 was €14.8m.

In 2023, the following expenditure has been charged to the Statement of Revenue Income and Expenditure in respect of the Insurance Scheme:

	2023 €'000	2022 €'000
Pay	92	91
Non Pay		
Payments of premium loadings	441	437
Payments of benefits underwritten by HSE	668	403
	1,109	840
Office Expenses*	5	4
Total Non Pay	1,114	844
Total**	1,206	935

\*All expenditure in relation to the Hepatitis C Compensation Tribunal (Amendment) Act 2006 is included in HSE expenditure.

\*\*These costs are included in the Hepatitis C Insurance Scheme Special Account. Other Hepatitis C Costs are included in the Hepatitis C Special Account and the Hepatitis C Reparation Account.

### Note 11 State Claims Agency

Since 1 July 2009, the HSE is funded for claims processed by the State Claims Agency under the terms of the Clinical Indemnity Scheme. From 1 January 2010, the National Treasury Management Agency (Delegation of Functions) Order 2009 extended the State indemnity to personal injury and third party property damage claims against the HSE. Awards paid to claimants under the terms of the scheme are accounted for on a pay-as-you-go basis. The State Claims Agency's best current estimate of the ultimate cost of resolving each claim, includes all foreseeable costs such as settlement amounts, plaintiff legal costs and defence costs such as fees payable to counsel, consultants etc. In 2023, the charge to the Statement of Revenue Income and Expenditure was €506.3m (2022: €482.6m). Based on actuarial estimates, the charge to the Statement of Revenue Income and Expenditure is expected to increase significantly in future years. In accordance with the directions of the Minister for Health, no provision has been made for this liability in the financial statements.

The Estimated Outstanding Liability is revised on a regular basis in light of any new information received for example past trends in settlement amounts and legal costs. At 31 December 2023, the Estimated Outstanding Liability incurred to that date under the Clinical Indemnity Scheme and General Indemnity was €4.864m (2022 €4,627m). Of this €4,864m, approximately €4,141m relates to active claims in respect of clinical care, with the balance of the estimated liability relating to non-clinical care claims. Active claims are those that have been notified to the State Claims Agency through legal process and that have not yet been finalised as at the reporting date.

## Health Service Executive Notes to the Financial Statements

### Note 12 Long Term Residential Care (incorporating Nursing Homes Support Scheme/Fair Deal)

The Nursing Homes Support Scheme (Fair Deal) commenced in 2009 and phases out the former Nursing Homes Subvention Scheme and the 'contract beds' system for older persons. Under the scheme, people who need long term residential care services have their income and assets assessed, and then contribute up to 80% of assessable income and up to 7.5% per annum of the value of the assets they own, subject to a maximum period of three years in respect of their principal private residence, towards the cost of their care. The HSE pays the balance, if any, of the costs of their care in both registered public and private nursing homes covered under the scheme.

#### Costs of Long Term Residential Care (Nursing Homes Support Scheme/Fair Deal)

	<b>2023</b>	<b>2022</b>
	<b>€'000</b>	<b>€'000</b>
Private Nursing Homes	737,608	686,227
Section 39 Agencies	21,915	21,412
Private Nursing Homes Contract Beds and Subvention Payments	3,827	5,669
Covid 19 Temporary Assistance Payment Scheme (TAPS) **	3,296	22,762
Temporary Inflation Payment Scheme (TIPS) ***	4,383	4,132
Pandemic Special Recognition Payment (PSRP) ****	1,234	30,095
Total Payments to Private Nursing Homes including Section 39 Agencies	772,263	770,297
Gross NHSS Cost of Public Nursing Homes*	371,360	330,808
Payments to Section 38 Agencies	22,456	23,983
Nursing Home Fixed and Other Unit Costs	145,496	138,743
Total Long Term Residential Care	<u>1,311,575</u>	<u>1,263,831</u>

\*Public nursing homes costs are included under the relevant expenditure headings in the Statement of Revenue Income and Expenditure.

\*\*Covid 19 Temporary Assistance Payment Scheme (TAPS)

The Temporary Assistance Payment Scheme (TAPS) offered support to private and voluntary nursing homes with additional costs due to COVID-19 to cover the period from 1st March 2020 to the scheme end date on 30th April 2023.

In 2023, the cost of the Covid 19 Temporary Assistance Payment Scheme (TAPS) was €3.30m (2022: €22.76m).

\*\*\*Temporary Inflation Payment Scheme (TIPS)

The Temporary Inflation Payment Scheme (TIPS) offered support to private and voluntary nursing homes with energy cost increases to cover the period from 1st July 2022 to the scheme end date on 30th June 2023.

In 2023, the cost of the Temporary Inflation Payment Scheme (TIPS) was €4.38m (2022: €4.13m).

\*\*\*\*Pandemic Special Recognition Payment (PSRP)

The Pandemic Special Recognition Payment (PSRP) information contained in this note is for employees from private and voluntary nursing homes who, between 1st March 2020 and 30th June 2021, worked in a frontline COVID-19 exposed clinical environment and were eligible under the Government decision for the 'pandemic bonus' of maximum €1,000.

In 2023, the cost of the Pandemic Special Recognition Payment (PSRP) for private and voluntary nursing homes was €1.23m (2022: €30.09m)

#### Patient contributions

NHSS recipient contributions for those patients in public homes amounted to €65.04m (2022 €60.37m) and are included in the HSE Financial Statements - Revenue Income & Expenditure Account.

NHSS recipient contributions for those patients in voluntary centres (S38 Organisations) amounted to €5.55m (2022: €5.52m), and is retained by those centres and does not constitute income for the HSE.

#### Additional Income

Under Section 27 of the Nursing Homes Support Scheme Act 2009, a Schedule of Assets must be submitted to the HSE in respect of a deceased person who received financial support under the Scheme. This is checked to identify and calculate any overpayment of financial support that is repayable to the HSE pursuant to Section 42 of the Act. During 2023 the HSE collected income of €7.85m (2022: €7.76m) in respect of non-declared income and assets of Fair Deal clients.

#### Contract beds and Subvention beds

In 2023, payments of €3.83m (2022: €5.67m) were made in relation to contract beds and nursing home subvention. These schemes are being phased out having had no new entrants since the Nursing Homes Support Scheme commenced in 2009.

#### Expenditure within public facilities

Within the public nursing homes in 2023 there was an additional €145.50m (2022: €138.74m) of costs relating to long term care. These costs related to fixed unit costs and other costs incurred which were in excess of the reimbursed 'money follows the patient' rate paid under the Nursing Homes Support Scheme.

#### Cost of Public Nursing Homes

In 2023, the cost of public nursing homes amounted to €371.36m (2022: €330.81m), these costs are gross and the client contribution element amounted to €65.04m (2022 €60.37m). The contributions are recognised as income in Long Stay Charges in Statement of Income and Expenditure.

#### Ancillary State Support

Ancillary State Support is an optional extra feature of the Nursing Homes Support Scheme for people who own property or assets in the State. Instead of a person paying their assessed contribution for care from their own resources, a person can choose to apply for a Nursing Home Loan, to cover the portion of their contribution, which is based on property or land-based assets within the State. The HSE then pays that portion of the cost of care on top of the State Support payment. The loan is paid back to the State following the occurrence of a relevant event e.g. sale of the asset or death of the person. Repayment of the loan is made to the Revenue Commissioners. In certain cases, repayment of the loan can be deferred. This part of the scheme is designed to protect people from having to sell their home during their lifetime.



The total gross amount of Ancillary State Support advised to Revenue as at 31 December 2023 for recoupment from the commencement of the Nursing Homes Support Scheme (where a relevant and non-relevant event has occurred) was €381.69m, representing 14,081 client loans. As at 31st December 2023 the Revenue Commissioners have advised that they are collecting €350.34m, representing 12,804 clients. The difference accounts for clients where their Nursing Home loan is not due for repayment such as the Further Deferral option, as mentioned above, and also clients who wish to make a voluntary repayment prior to a relevant event occurring. The Revenue Commissioners have confirmed that they had received €278.16m of loan repayments paid in full, representing 10,951 client loans.

## Health Service Executive Notes to the Financial Statements

The total amount of Nursing Home Loan payments made under the Nursing Homes Support Scheme that are outstanding (i.e. where a repayable amount has not been notified to Revenue for collection - a relevant event has not occurred), as at 31 December 2023 is €190.65m. This amount does not include an adjustment for CPI as a relevant event has not yet occurred.

Ancillary State Support details at 31 December are as follows:

	2023 €'000	2023 Number of loans	2022 €'000	2022 Number of loans
Advised by HSE to Revenue for recoupment	381,696	14,081	318,053	12,295
Confirmed by Revenue as being paid*	(278,163)	(10,951)	(223,741)	(9,384)
Subtotal	103,533	3,130	94,312	2,911
Not yet advised to Revenue for recoupment	190,653	5,950	173,271	5,456
Total Ancillary State Support outstanding	294,186	9,080	267,583	8,367

\*Amounts confirmed by Revenue does not include part payments and only includes loans fully repaid

### Note 13 Capital Expenditure

#### (a) Additions to Fixed Assets

	2023 €'000	2022 €'000
Additions to Property, Plant and Equipment (Note 15) Land and Buildings - Service Concession*	-	-
Additions to Property, Plant and Equipment (Note 15) Land and Buildings - Other	331,742	270,642
Additions to Property, Plant and Equipment (Note 15) Other than Land and Buildings	157,494	196,757
	489,236	467,399
Funded from Department of Health Capital Grant	441,756	430,829
Funded from Department of Health Revenue Grant	33,995	36,570
Funded from Department of Health Capital Grant in previous years ****	13,485	-
	489,236	467,399

#### (b) Analysis of Expenditure Charged to Statement of Capital Income and Expenditure

	2023 €'000	2022 €'000
Expenditure on HSE's own assets (Capitalised)	441,756	430,829
Expenditure on HSE projects not resulting in property, plant and equipment additions**	263,341	199,585
Capitalised Interest - PPP Service Concession Arrangements*	3,847	5,490
Total expenditure on HSE Projects charged to capital***	708,944	635,904
Capital grants to outside agencies (Appendix 1)**	346,792	531,706
Total Capital Expenditure per Statement of Capital Income and Expenditure	1,055,736	1,167,610

\*Relates to Primary Care Centre assets acquired under Public Private Partnership (PPP) service concession arrangements.

\*\*Total capital expenditure not capitalised amounts to €613.98m (2022: €736.78m)

\*\*\*Capital funded assets and Revenue funded assets are capitalised if the cost exceeds the €10,000 value threshold.

\*\*\*\*Expenditure incurred in prior years but not capitalised.

#### (c) Analysis of Capital Income from Other Sources

	2023 €'000	2022 €'000
Income from Government Departments and Other Sources in respect of Capital Projects:		
National Rehabilitation Hospital Foundation- Contribution towards National Rehabilitation Hospital	0	8,042
Danske Bank Interest Received	1,077	0
Sale of Mammography Systems	495	0
NUIG - Sligo and Donegal Medical Academies	304	0
Other Miscellaneous Income	36	55
Total Capital Income from Other Sources	1,912	8,097

### Note 14 Proceeds of Disposal of Fixed Asset Account

	2023 €'000	2022 €'000
Gross Proceeds of all Disposals in year	1,167	1,483
Less: Net Expenses Incurred on Disposals	(42)	(7)
Net Proceeds of Disposal	1,125	1,476
Less Application of Proceeds	(1,159)	(1,442)
Movement in the year	(34)	34
At 1 January	72	38
Balance at 31 December	38	72

# Health Service Executive

## Notes to the Financial Statements

### Note 15 Property, Plant and Equipment

	Land*	Buildings **	Work in Progress (L&B)	Motor Vehicles	Equipment	Work in Progress (P&E)	Total 2023
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Cost / Valuation</b>							
At 1 January 2023	1,675,966	5,332,801	435,188	125,142	1,716,885	19,885	9,305,867
Additions	2,931	52,120	276,691	11,373	124,052	22,068	489,236
Transfers from Work in Progress	0	76,154	(77,151)	10,849	93	(9,945)	0
Disposals/Write offs	(14,056)	(15,650)	(1,855)	(4,325)	(109,343)	(4,205)	(149,434)
At 31 December 2023	1,664,841	5,445,425	632,873	143,039	1,731,687	27,803	9,645,669

### Depreciation

Accumulated Depreciation at 1 January 2023	0	1,887,070	0	88,077	1,345,854	0	3,321,001
Charge for the Year	0	127,065	0	17,852	127,422	0	272,339
Disposals/Write offs	0	(8,549)	0	(4,075)	(107,698)	0	(120,322)
At 31 December 2023	0	2,005,586	0	101,854	1,365,579	0	3,473,018

### Net Book Values

At 1 January 2022	1,675,966	3,445,731	435,188	37,065	371,031	19,885	5,984,866
At 31 December 2023	1,664,841	3,439,839	632,873	41,186	366,109	27,803	6,172,651

\*The current carrying value of land amounting to €1.665bn held by the HSE at 31 December 2023 is based on the 2002 Department of Health Valuation rates.

### \*\*Building assets held under Finance Leases/ Service Concession Arrangements

	2023	2022	2023	2022	2023	2022
	€'000	€'000	€'000	€'000	€'000	€'000
	Finance Lease	Finance Lease	Service Concession*	Service Concession*	Total	Total
Cost	45,824	45,824	165,217	165,217	211,041	211,041
Accumulated Depreciation at 1 January	(30,933)	(29,071)	0	0	(30,933)	(29,071)
Depreciation charged for the year	(2,600)	(1,862)	0	0	(2,600)	(1,862)
Net Book Values at 31 December	12,291	14,891	165,217	165,217	177,508	180,108

\*/\*\* Relates to Primary Care Centre (PCC) assets acquired under Public Private Partnership (PPP) service concession arrangements. All fourteen PCC sites have reached service commencement.

PCC Assets are not depreciated where they have been acquired or are managed under service concession agreements which guarantee residual useful lives and operating capacity at the end of the concession term that would be equivalent to that of the asset when it was first commissioned.

## Health Service Executive Notes to the Financial Statements

<b>Note 16</b> Inventories	<b>2023</b>	<b>2022</b>
	<b>€'000</b>	<b>€'000</b>
Medical, Dental and Surgical Supplies	75,819	81,319
Laboratory Supplies	9,931	25,659
Pharmacy Supplies	36,826	30,156
High Tech Pharmacy Inventories	45,040	40,528
Pharmacy Dispensing Inventories	392	450
Blood and Blood Products	1,612	1,568
Vaccine Inventories	9,438	77,997
Household Services	8,306	7,756
Stationery and Office Supplies	2,596	2,333
Sundries	231	237
	<b>190,191</b>	<b>268,003</b>

*PPE stocks of €28m (2022: €37.3m) are included in the categories of medical, dental and surgical supplies, and household services. Included in HSE expenditure in 2023 there is a total of €86.5m (2022: €94.4m) write-offs for vaccines. See Note 1(b)*

<b>Note 17</b> Trade and Other Receivables	<b>2023</b>	<b>2022</b>
	<b>€'000</b>	<b>€'000</b>
Receivables: Patient Debtors	102,371	119,787
Prepayments and Accrued Income	85,638	65,920
Department of Health (DoH) Debtor (Note 3a)	417,951	463,524
Department of Children, Equality, Disability, Integration and Youth (DCEDIY) Debtor (Note 3a)	6,501	0
Pharmaceutical Manufacturers	205,657	126,034
Payroll Technical Adjustment	11,908	13,065
Additional Superannuation Contributions (ASC) Deductions from Staff	9,922	11,211
Property Purchase Deposits	55,271	45,851
Local Authorities	1,102	677
Payroll Advances	114	116
Voluntary Hospitals - Grant Funding Advances	297,016	296,054
Sundry Receivables	78,706	72,595
	<b>1,272,157</b>	<b>1,214,834</b>

<b>Note 18</b> Creditors (amounts falling due within one year)	<b>2023</b>	<b>2022</b>
	<b>€'000</b>	<b>€'000</b>
Finance Leases	3,573	3,488
Service Concession Liability	4,457	3,766
Payables - Revenue	159,640	250,622
Payables - Capital	7,866	11,301
Accruals Non Pay - Revenue	1,169,214	980,654
Accruals Non Pay - Capital	18,170	16,535
Accruals - Grants to Voluntary Hospitals and Outside Agencies	871,796	719,555
Provisions Non Pay - Revenue	39,267	6,170
Accruals Pay	726,766	725,511
Taxes and Social Welfare	263,327	318,066
Department of Public Expenditure, NDP Delivery and Reform - Single Public Service Pension Scheme	6,974	9,801
Lottery Grants Payable*	197	442
Sundry Payables	28,461	26,976
	<b>3,299,708</b>	<b>3,072,887</b>

*\*The HSE administers the disbursement of National Lottery grants for local programmes under the National Lottery's Health and Welfare Funded Schemes. The balance represents funding approved but not yet disbursed to grant recipients at year end.*

<b>Note 19</b> Creditors (amounts falling due after more than one year)	<b>2023</b>	<b>2022</b>
	<b>€'000</b>	<b>€'000</b>
Finance Leases	17,058	19,623
Service Concession Liability	131,569	136,107
Total Finance Lease obligations	<b>148,627</b>	<b>155,730</b>

<b>Note 20</b> Deferred Income	<b>2023</b>	<b>2022</b>
	<b>€'000</b>	<b>€'000</b>
Donations and bequests*	20,449	21,091
Grant Funding from the State and other bodies	31,377	26,989
Funding from specific capital projects	14,902	4,582
General	24,989	8,112
Balance at 31 December	<b>91,717</b>	<b>60,774</b>

*\*Unspent income arising from donations and bequests where the purposes to which money may be applied has been specified but the related expenditure has not been incurred.*

## Health Service Executive Notes to the Financial Statements

	2023	2022
	€'000	€'000
<b>Note 21</b> Net Cash Inflow from Operating Activities		
Surplus/(Deficit) for the current year	(574,612)	(185,163)
Capital element of lease payments charged to revenue	2,481	1,848
Less Interest received	(3,018)	(61)
Purchase of equipment charged to Statement of Revenue Income and Expenditure	33,995	36,570
Finance Costs charged to Statement of Revenue Income and Expenditure	688	767
(Increase)/Decrease in Inventories	77,812	31,945
(Increase)/Decrease in Trade and Other Receivables	(57,322)	(746,049)
Increase/(Decrease) in Creditors (falling due within one year)	227,844	354,605
Revenue Reserves - transfer of Deficit in accordance with Section 33(3) of the Health Act, 2004, as amended	185,163	195,034
Share Revaluation	(173)	92
Increase/(Decrease) in Deferred Income	30,943	(17,240)
Net Cash Inflow from Operating Activities	<u>(76,199)</u>	<u>(327,652)</u>

	2023	2022
	€'000	€'000
<b>Note 22</b> Commitments		
<b>Capital Commitments</b>		
Future Property, Plant and Equipment purchase commitments:		
Within one year	1,274,218	1,213,104
After one but within five years	4,222,467	2,960,127
	<u>5,496,685</u>	<u>4,173,231</u>
Contracted for, but not provided for, in the financial statements	1,410,657	1,274,740
Included in the Capital Plan but not contracted for	4,086,028	2,898,491
	<u>5,496,685</u>	<u>4,173,231</u>

The HSE has a multi-annual Capital Investment Plan which prioritises expenditure on capital projects in line with goals in the Corporate Plan and the Annual Service Plan. The commitments identified above are in respect of the total cost of projects for which specific funding budgets have been approved at year end. These commitments may involve costs in years after 2023 for which budgets have yet to be approved and are therefore estimated.

	2023	2022
	€'000	€'000
<b>Operating Lease Commitments</b>		
Operating lease rentals (charged to the Statement of Revenue Income and Expenditure)		
Land and Buildings	109,858	89,097
Motor Vehicles	74	459
Equipment	1,292	1,517
	<u>111,224</u>	<u>91,073</u>

	Land and Buildings	Other	Total	Total
	2023	2023	2023	2022
	€'000	€'000	€'000	€'000
The HSE has the following total amounts payable under non-cancellable operating leases split between amounts due:				
Within one year	97,167	465	97,632	71,612
In the second to fifth years inclusive	363,201	464	363,665	271,424
In over five years	1,053,931	0	1,053,931	724,085
	<u>1,514,299</u>	<u>929</u>	<u>1,515,228</u>	<u>1,067,121</u>

	2023	2022
	€'000	€'000
<b>Public Private Partnership Forward Commitments</b>		
Nominal Amount:		
Service Concession Arrangement - Primary Care Centres (14 sites bundle)	<u>167,139</u>	<u>174,742</u>

These commitments incorporate facilities management services, operational, and lifecycle costs, for the remaining life of the agreement. They are not discounted to present value.

### Finance Lease Commitments

The future minimum lease payments at 31 December are as follows:

	2023	2022	2023	2022
	€'000	€'000	€'000	€'000
	Finance	Finance	Service	Service
	Lease	Lease	Concession*	Concession*
Not later than one year	4,160	4,160	8,936	8,383
Later than one year but not later than five years	13,265	12,640	37,052	36,654
Later than five years	5,365	9,150	139,328	148,742
Total Gross Payments	<u>22,790</u>	<u>25,950</u>	<u>185,316</u>	<u>193,779</u>
Less: Finance Charges	(2,159)	(2,838)	(49,290)	(53,906)
Carrying Amount of Liability	<u>20,631</u>	<u>23,112</u>	<u>136,026</u>	<u>139,873</u>
Classified as:				
- Creditors (amounts falling due within one year)	3,573	3,489	4,457	3,766
- Creditors (amounts falling due after more than one year)	17,058	19,623	131,569	136,107

\*The value of the PCC asset and the service concession liability is recognised as assets and liabilities in the Statement of Financial Position at an amount of €165.2m, which is equal to the present value of the minimum lease payments. In line with FRS 102, the effective interest rate is used to discount the future construction related liabilities arising from concession agreements. The carrying amount of the liability at 31 December 2023 is €136.03m.

## Health Service Executive Notes to the Financial Statements

### Note 23 Property

The HSE estate comprises 2,680 properties.

Title to the properties can be analysed as follows:

	2023	2022
	Number of Properties	Number of Properties
Freehold	1,578	1,579
Leasehold	1,102	1,053
Total Properties	<u>2,680</u>	<u>2,632</u>

Primary utilisation of the properties can be analysed as follows:

Delivery of health and personal social services	2,583	2,539
Health Business Services and Support (including medical card processing etc.)	97	93
Total Properties	<u>2,680</u>	<u>2,632</u>

During the year there were 75 property additions to the healthcare estate, and 27 properties were removed through both disposals and lease terminations. The net result is an increase of 48 healthcare properties during 2023. The total number of properties in the HSE healthcare estate at the end of 2023 has been impacted by a combination of routine estate management activities, as well as the requirements of specific key healthcare strategies to deliver ongoing rollout of primary care centres, enhanced community care and relocation of disability services to community settings.

### Note 24 Taxation

The HSE is currently revising its tax risk based assessment as part of on-going process improvements. As such, the HSE has a provision of circa €2m in the 2023 financial statements which is in line with recent year's assessments. The HSE will pay over any tax liability identified by the risk assessment to Revenue in accordance with Revenue's Code of Practice for Revenue Audits and Compliance Interventions. The HSE has a dedicated in-house tax team resourced by tax professionals with access to external advisors where necessary. The HSE remains committed to exemplary tax compliance.

### Note 25 Contingent Liabilities

#### General

The HSE is involved in a number of claims involving legal proceedings which may generate liabilities, depending on the outcome of the litigation. The HSE has insurance cover for professional indemnity, fire and specific all risk claims. In most cases, such insurance would be sufficient to cover all costs, but this cannot be certain due to indemnity limits and certain policy conditions. The financial effects of any uninsured contingencies have not been provided for in the financial statements.

#### Clinical Indemnity Scheme

Details of the contingent liability in respect of the Clinical Indemnity Scheme are set out in Note 11.

#### Legal Settlement

The HSE has been involved in one material legal claim with a Private Health Insurer during 2023. A settlement has been reached and is provided for in the financial statements on the basis that it meets the requirements of the relevant accounting standards.

### Note 26 Contingent Asset

As part of the HSE's COVID-19 response, the HSE engaged with various third parties to provide laboratory testing (COVID-19 testing services).

From April 2020 to date, VAT has been charged on some of the COVID-19 testing services provided. The HSE considers these services as exempt from VAT on the basis that the services fall within the scope of medical tests prescribed by a medical practitioner but carried out by a third party.

The HSE's view, and that of its advisors, is that the services provided fall within the exemption and that the VAT paid should be recoverable. The HSE is therefore treating the potential VAT amount recoverable of €61 million as a contingent asset on the basis that an inflow of economic benefits is deemed probable.

While the matter is not yet resolved, it is at a very advanced stage.

### Note 27 Related Party Transactions

The Health Service Executive adopts procedures in accordance with the Department of Public Expenditure, NDP Delivery and Reform's Code of Practice for the Governance of State Bodies, the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001, in relation to the disclosure of interests of the Health Service Executive. These procedures have been adhered to by the HSE during the year. A number of interests were noted by board members. It was deemed that none of the interests disclosed have a material commercial and/or financial impact on the HSE. No board members disclosed gifts or hospitality offered by external bodies in the last twelve months. No board members noted any contractual relationship with the HSE, and no board members noted any other conflicts not covered elsewhere.

#### Key Management Personnel

The Executive Management Team (EMT) in addition to the Board are considered to be key management personnel. Overall remuneration, including those that were appointed and resigned during the year is €3.4m (2022: €2.9m). Three members of the EMT are on secondment from other positions. The Chief Clinical Officer (CCO) was seconded to the HSE from the Mercy Hospital Cork, on the 3rd of March 2020. The Chief technology and Transformation Officer (CTTO), is on secondment from Ernst and Young (EY) since 3rd July 2022. The National Director of Acute Operations commenced secondment from St. James's Hospital on the 30th of August 2022, but only became an EMT member from the 15th of March 2023. The Chair of the Board was re-appointed on the 13th of November 2023 for another 3 year term commencing on the 28th of June 2024.

All members appointed to the Executive Management Team who are in receipt of remuneration, are members of the approved HSE pension schemes (and in the case of the Chief Clinical Officer, the Voluntary Hospitals Superannuation Scheme). Their pension entitlements with the HSE do not extend beyond the standard entitlements applicable to these schemes.

The Board members are in receipt of fees. There is one exception (not in receipt of fees) due to the "one person, one salary" rule. Other than disclosed in Note 2, all other key management who are in receipt of remuneration comprise of basic pay only.

**Note 28** Approval of Financial Statements

The financial statements were approved by the Board on the 28 June 2024.