

## **Appropriation Account 2018**

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### **Vote 26**

### **Education and Skills**

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## Introduction

As Accounting Officer for Vote 26, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2018 for the salaries and expenses of the Office of the Minister for Education and Skills, for certain services administered by the Office, and for the payment of certain grants.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2018, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €114.464 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

## Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform (DPER) in Circular 24 of 2018, have been applied in the preparation of the account.

## Statement on Internal Financial Control

### *Responsibility for system of internal financial control*

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Department and the National Shared Service Office for the provision of human resources and payroll shared service.

I rely on a letter of assurance from the Accounting Officer of the Vote for Shared Services that the appropriate controls are exercised in the provision of shared services to this Department.

The position in regard to the financial control environment, the framework of administrative procedures, management reporting and internal audit is as follows:

***Financial control environment***

I confirm that a control environment containing the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

***Administrative controls and management reporting***

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability. This includes the following elements.

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- A risk management system operates within the Department.
- There are systems aimed at ensuring the security of the ICT systems.
- There are appropriate capital investment control guidelines and formal project management disciplines.
- The Department ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

***Internal audit, European Social Fund audit and audit committee***

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Department is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that recommendations included in internal audit reports are implemented in a timely way.

The ESF Audit Authority is a section within the Internal and EU Audit Unit and is functionally independent and operates in accordance with its own written charter which I have approved. It reports to the Audit Committee and to the European Commission on the conduct of its audit programme in respect of compliance with the regulatory requirements of the European Union in relation to the management, control and audit of ESF funds in Ireland. The ESF Audit Authority ensures that all recommended adjustments have been carried out.

### ***Risk and control framework***

The Department has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Department and these have been identified, evaluated and graded according to their significance. The risks are signed off at head of business unit level and noted by the Management Board member responsible for that business area. The register details the controls and actions needed to mitigate risks and the register is used, along with other relevant processes, to ensure that risks are managed or mitigated.

In 2018, to enhance consistency in the Department's approach to risk management, the Department's Risk Committee developed a high level strategic risk assessment document which identifies a number of key corporate risks which have the potential to significantly impact the Department's capacity to implement its work programme as outlined in its Strategy Statement and Action Plan. The assessment document provides a focus on key risks (internal and external) which may impact across a number of sections of the Department and the document will be used in conjunction with the risk register which focuses on the day to day operational risks.

The Department's Governance Framework was reviewed and updated during 2018 in order to reflect corporate governance developments since it was first published in May 2016. It is kept under ongoing review.

### ***Ongoing monitoring and review***

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Management Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

### ***Review of effectiveness***

I confirm that the Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

### ***Internal financial control issues***

No weaknesses in internal financial control were identified in the Department in relation to 2018 that resulted in losses that require disclosure in the appropriation account.

**Shared services**

Payroll and human resource functions are provided on a shared services basis by the National Shared Services Office (Vote 18). The Accounting Officer of the National Shared Services Office is responsible for the operation of controls within the Shared Services Centres.

The Accounting Officer for Shared Services has put in place an audit process to provide independent assurance on the operation of controls within shared services. This assurance is a combination of

- internal audit work performed by the National Shared Services Office's Internal Audit Unit, and
- audits conducted by firms of accountants in accordance with the International Standard on Assurance Engagements (ISAE 3402), designed to report to user departments and their auditors on controls within shared services. These audits encompass (i) a readiness assessment to identify risks and related controls and provide a gap analysis, followed by (ii) a report on the design and existence of controls, and (iii) an annual report on whether controls operated effectively.

The Accounting Officer for Shared Services has provided me with a letter outlining progress in implementing the audit assurance process and the results of the audits on the design, existence and operation of controls are expected to be reported to me as set out in that letter.

I take assurance from the system of control within shared services as reported to me by the Accounting Officer for Shared Services.

**Public procurement**

The Department is compliant with all relevant guidelines regarding procurement with the exception of procurement totalling €264,000 in value where contracts were extended or purchases made without recourse to an appropriate procurement process.

All cases are being kept under active review and action is being taken where feasible. The Department is proactively engaged with the procurement reform programme and is taking the opportunity to use centralised contracts and frameworks where appropriate.

In addition, the Department incurred expenditure in respect of 11 contracts totalling €2.617 million without a competitive process. Details of the contracts are set out below.

One contract with a value of €1.468 million was awarded without a competitive process on the basis of urgency/expediency reasons. The contract related to project management and related services to ensure compliance with fire safety regulations in 55 schools.

Expenditure of €997,000 related to eight contracts for the Department's core ICT systems where the current suppliers are considered sole suppliers.

Expenditure of €152,000 related to two contracts which were awarded/extended for urgency/business continuity reasons.

Details of cases of more than €25,000 value were provided to the Comptroller and Auditor General and the Department of Public Expenditure and Reform in the Circular 40/2002 return.

***Education sector corporate governance***

During 2018, the Department continued to progress work on strengthening its approach to oversight of governance and accountability arrangements across the education sector, led by a Management Board Committee on Sectoral Governance and Accountability, chaired by myself, as Secretary General. During 2018 the Department

- rolled out a review process to audit the effectiveness of the internal audit function in four of the Department's non-commercial State bodies. This review included consideration of the resourcing of internal audit, how internal audit activity adds value to the bodies and the level of conformance with best practice in Internal Audit and the requirements of DPER's 2016 Code of Practice for the Governance of State Bodies concerning risk management, governance and internal control. The findings of the review process are in the process of being actioned during 2019 and are subject to monitoring by the Department to ensure, where appropriate, remediation steps are carried out. Lessons of central application from the review process of the four bodies will be shared with the Department's eighteen aegis bodies
- initiated the process to undertake a first periodic critical review (PCR) on an aegis body (the first review will commence in the second half of 2019)
- undertook an assessment to evaluate key aspects of governance across the education sector which will be used to inform the work programme on governance during 2019-20
- procured and implemented a bespoke governance training programme to develop capability in corporate governance in 2018. This programme was delivered to staff across all divisions of the Department who have a governance role for bodies funded by the Department.

The Department continues to work with its aegis bodies to ensure that the oversight conditions laid out in the revised Code of Practice for Governance of State Bodies are satisfied. Time-limited or full derogations from aspects of the Code have been agreed and documented in order to satisfy the codes 'comply or explain' requirements. Within the wider education sector, codes of practice, aligned to the specific regulatory frameworks of universities, institutes of technology and education and training boards (ETB) have been developed and rolled out by the respective sectors. The ETB Code was issued to ETBs in early quarter 1 of 2019 with the Code being in force with immediate effect. The Institute of Technology Code of Governance was published on 1 January 2018 and was effective from that date. The Sectoral Code of Governance for Irish Universities, having been endorsed by the Council of the Irish Universities Association in January 2019, will have been approved by the Governing Body of each respective University between January and April 2019, with the Code expected to become effective incrementally across the sector by early April 2019. Work is ongoing across the university sector to identify any areas where specific universities are required to satisfy the "comply or explain" requirements with the expectation that work will be completed by Q4 2019.

The Education Support Centre sector is currently undertaking a Governance Modernisation Programme in response to the recommendations in the Mazar's Review of the Department of Education and Skills Governance, Funding and Accountability arrangements for Education Support Centres.

**Public sector reform**

In 2018, the Department continued the roll out of its Shared Services Plan for 2017-2020, investigating the opportunities for shared service initiatives across the entire education and training sector and actively participating in the roll out of traditional shared services across the Civil Service. The key projects which have been progressed during 2018 are

- Payroll shared services for the ETB sector. In 2018 the project progressed from procurement through design and implementation phases. Services for the initial wave of ETBs are expected to become operational in Q2 2019.
- Financial shared services for the ETB sector. The project progressed with the publication of the request for tender (RFT) for the system that will underpin this service, in December 2018. It is expected that the procurement process will conclude in 2019 and the project will move to detailed design and implementation of an integrated financial solution for the sector.
- HR/Payroll shared services for the higher education sector. In 2018, the stabilisation of the systems underpinning services to the institutes of technology was completed and a pilot university site was also stabilised in preparation for shared services. The dedicated project team has engaged with the sector, updated the base line and produced a detailed analysis of the full integrated human resource management (HRM) in order to re-evaluate the business case compiled in 2015. A revised Business Case recommending the optimal approach for the sector has been completed and the next step will be to implement a 'proof of concept' phase in order to advance the business case.
- A schools employee data records and payroll shared services project team completed the business case for the optimal solution for the sector and in 2018 it has incorporated the inputs from external stakeholders to strengthen the case. The team have also documented the complex and highly automated processes and developed the knowledge that will underpin the functional and technical requirements for any future solution. They are now commencing engagement with the market in order to secure the optimal automated solution for the sector so it can continue to deliver services to over 120,000 payees into the future. This will initially take the form of a request for information and will be preceded by a peer review process to begin in Q3 2019.
- The development of procurement initiatives to support the operation of the Office of Government Procurement model continued in 2018. In the 2017-2020 Shared Service Plan, the Department has committed to explore how these initiatives can be further developed to provide a single procurement service to the education sector. Various models have been explored during 2018 in order to identify the optimal model for the sector and this work is continuing in 2019.
- The ongoing reconfiguration of the ETBs continued throughout 2018 with significant developments in a number of key areas including review and upgrade of the Shared Services Centre of Excellence providing legal services to the ETB sector and progress on drafting a new Code of Practice for the Governance of ETBs (Published on 30 January 2019).

***General Data Protection Regulation (GDPR) and data management***

The Department undertook a readiness project to ensure that the Department took the necessary actions in order to be compliant with the General Data Protection Regulation which became effective from 25 May 2018. This encompassed revision of the Department's data protection policies and protocols and ensuring adequate processes are in place to support data protection rights, compiling an inventory of processing activities which involves personal data, updating application forms and privacy notices to ensure compliance and organising advanced training in data protection for relevant staff. The Department has a Data Protection Officer (DPO) in place, along with a support team, whose role is to inform and advise staff of the Department who carry out processing of personal data of their obligations pursuant to the GDPR and to other data protection provisions.

**Seán Ó Foghlú**  
Accounting Officer  
Department of Education and Skills

27 March 2019



## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 26 Education and Skills**

##### **Opinion on the appropriation account**

I have audited the appropriation account for Vote 26 Education and Skills for the year ended 31 December 2018 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 26 Education and Skills for the year ended 31 December 2018
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

##### ***Basis of opinion***

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the *Preface to the Appropriation Accounts*. I am independent of the Department of Education and Skills and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Report on the statement on internal financial control, and on other matters**

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the *Preface to the Appropriation Accounts*.

##### ***Purchase of sites for school provision***

In my report on the accounts of the public service for 2018, Chapter 7 examines the purchase of three significant sites in Dublin in the period 2016 to 2018.

**Seamus McCarthy**

Comptroller and Auditor General

24 September 2019

## Vote 26 Education and Skills

### Appropriation Account 2018

	2018		2017
	Estimate provision	Outturn	Outturn
Programme expenditure	€000	€000	€000
A First, second and early years education			
<i>Current year provision</i>	6,998,169		
<i>Supplementary</i>	<u>130,000</u>		
		7,128,169	7,133,309
			6,661,168
B Skills development		376,508	361,359
			328,746
C Higher education			
<i>Current year provision</i>	1,606,154		
<i>Supplementary</i>	<u>17,000</u>		
		1,623,154	1,613,023
			1,590,038
D Capital services		<u>692,211</u>	<u>702,952</u>
			661,395
<b>Gross expenditure</b>			
<i>Current year provision</i>	9,673,042		
<i>Supplementary</i>	<u>147,000</u>		
		<b>9,820,042</b>	<b>9,810,643</b>
			<b>9,241,347</b>
<i>Deduct</i>			
E <b>Appropriations-in-aid</b>			
<i>Current year provision</i>	516,495		
<i>Supplementary</i>	<u>(34,700)</u>		
		<b>481,795</b>	<b>586,860</b>
			<b>466,588</b>
<b>Net expenditure</b>			
<i>Current year provision</i>	9,156,547		
<i>Supplementary</i>	<u>181,700</u>		
		<b>9,338,247</b>	<b>9,223,783</b>
			<b>8,774,759</b>

**Surplus for surrender**

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2018	2017
	€	€
<b>Surplus to be surrendered</b>	<u><b>114,463,727</b></u>	<u><b>24,540,261</b></u>

**Seán Ó Foghlú**

Accounting Officer

Department of Education and Skills

27 March 2019

## Notes to the Appropriation Account

### Note 1 Operating Cost Statement 2018

	2018		2017
	€000	€000	€000
Programme cost			
Pay		6,056,794	4,944,798
Non pay		3,753,849	4,296,549
<b>Gross expenditure</b>		<b>9,810,643</b>	<b>9,241,347</b>
<i>Deduct</i>			
<b>Appropriations-in-aid</b>		<b>586,860</b>	<b>466,588</b>
<b>Net expenditure</b>		<b>9,223,783</b>	<b>8,774,759</b>
<b>Changes in capital assets</b>			
Purchases cash	(135,569)		
Depreciation	1,120	(134,449)	(149,937)
<b>Changes in net current assets</b>			
Decrease in closing accruals	(5,325)		
Increase in stock	(6)		
		(5,331)	15,508
<b>Direct expenditure</b>		<b>9,084,003</b>	<b>8,640,330</b>
<b>Expenditure borne elsewhere</b>			
Net allied services expenditure (note 1.1)		33,517	31,056
Notional rents		4,367	4,260
<b>Net programme cost</b>		<b>9,121,887</b>	<b>8,675,646</b>

#### 1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 26 borne elsewhere, net of costs of shared services apportioned to other Votes.

	2018	2017
	€000	€000
Vote 9 Office of the Revenue Commissioners <sup>a</sup>	291	278
Vote 12 Superannuation and Retired Allowances	27,127	23,940
Vote 13 Office of Public Works	4,702	5,199
Vote 18 National Shared Services Office	1,149	1,363
Central Fund – Ministerial pensions	248	276
	<b>33,517</b>	<b>31,056</b>

Note <sup>a</sup> This figure includes €105,000 in respect of City of Dublin Education and Training Board, HEAnet, National Council for Special Education and the Teaching Council who are agencies funded under Vote 26.

## Note 2 Statement of Financial Position as at 31 December 2018

	Note	2018 €000	2017 €000
<b>Capital assets</b>	2.2	<u>229,172</u>	<u>157,242</u>
<b>Current assets</b>			
Bank and cash	2.3	6,715	16,845
Stocks		100	94
Prepayments	2.4	18,592	19,025
Overpayments for recoupment	5.7	6,604	6,352
Secondment costs for recoupment		466	106
Amounts due from the EU		72	40
Other debit balances	2.5	2,590	2,018
Accrued income		850	—
<b>Total current assets</b>		<u>35,989</u>	<u>44,480</u>
<b>Less current liabilities</b>			
Accrued expenses		18,172	21,208
Salary recoupment to other departments and agencies		43	73
EU moneys for distribution		—	6,198
Other credit balances	2.6	4,051	435
Net Exchequer funding due	2.7	<u>5,326</u>	<u>12,270</u>
<b>Total current liabilities</b>		<u>27,592</u>	<u>40,184</u>
<b>Net current assets</b>		<u>8,397</u>	<u>4,296</u>
<b>Net assets</b>		<u><b>237,569</b></u>	<u><b>161,538</b></u>
<b>Represented by:</b>			
State funding account	2.1	<u><b>237,569</b></u>	<u><b>161,538</b></u>

**2.1 State funding account**

	Note	2018		2017
		€000	€000	€000
Balance at 1 January			161,538	251,714
Disbursements from the Vote				
Estimate provision	Account	9,338,247		
Surplus to be surrendered	Account	(114,464)		
Net vote			9,223,783	8,774,759
Expenditure (cash) borne elsewhere	1		33,517	31,056
Non cash items – capital assets <sup>a</sup>			(63,749)	(224,605)
Non cash expenditure – notional rent	1		4,367	4,260
Net programme cost	1		(9,121,887)	(8,675,646)
<b>Balance at 31 December</b>			<b>237,569</b>	<b>161,538</b>

Note <sup>a</sup> The non-cash items include the accounting treatment for the disposal by the Department of construction assets valued at €64.972 million and the transfer of properties to the Department valued at €1.223 million under the redress indemnity agreement.

**2.2 Capital assets**

	Land and buildings	Furniture and fittings	Office equipment	Assets under development	Total
	€000	€000	€000	€000	€000
<b>Gross assets</b>					
Cost or valuation at 1 January 2018	71,215	7,550	20,883	82,267	181,915
Additions	78,310	98	1,569	58,047	138,024
Assets brought into use	53,018	—	340	(53,358)	—
Disposals <sup>a</sup>	(64,972)	(661)	(898)	—	(66,531)
Cost or valuation at 31 December 2018	137,571	6,987	21,894	86,956	253,408
<b>Accumulated depreciation</b>					
Opening balance at 1 January 2018	—	7,312	17,359	—	24,671
Depreciation for the year	—	35	1,085	—	1,120
Depreciation on disposals	—	(657)	(898)	—	(1,555)
Cumulative depreciation at 31 December 2018	—	6,690	17,546	—	24,236
<b>Net assets at 31 December 2018</b>	<b>137,571</b>	<b>297</b>	<b>4,348</b>	<b>86,956</b>	<b>229,172</b>
Net assets at 31 December 2017	71,215	239	3,522	82,266	157,242

Note <sup>a</sup> The furniture and fittings disposal figure of €661,000 includes assets with original costs totalling €591,000 that were removed from the register following a review which identified a number of items included in the register where the original cost was under the €1,000 asset threshold or where the item did not fall within the definition of an asset in accordance with the Department's fixed asset policy. Similarly, the office equipment disposal figure of €898,000 includes assets with original costs totalling €110,000 that were below the €1,000 asset threshold.

**General information note**

There are no State-owned lands or buildings controlled by the Department of Education and Skills without a valuation. Land and buildings owned by the Department are controlled and managed as follows.

**1 Transfer of school properties 2018**

The Department treats the transfer of the control of an asset to a school authority as a disposal for accounting purposes in this account. Ownership is not transferred. The school properties, or parts thereof, which transferred during 2018 are included in the table below.

<b>Name of school</b>	<b>Valuation</b>
	<b>€000</b>
Glasnevin Educate Together National School, Glasnevin, Co. Dublin	4,795
Kildare Town Educate Together National School, Gaelscoil Mhic Aodha, Kildare Town, Co. Kildare	11,035
Mallow Community National School, Mallow, Co. Cork	6,392
Gaelscoil Teach na Giuise, Firhouse Educate Together National School, Firhouse, Dublin 24	14,364
Bremore Educate Together Post Primary School, Balbriggan, Co. Dublin	16,222
Gaelscoil Liatrioma, Carrick-on-Shannon, Co. Leitrim	5,424
Drogheda ABACAS Special School, Drogheda, Co. Louth	40
Gaelscoil na Fuinseoige, Churchtown, Dublin 14	6,700
<b>Total</b>	<b>64,972</b>

**2 Primary level**

There were 3,240 national schools in operation on 31 December 2018. The majority of these schools are denominational and are owned by the relevant diocesan authority. The exceptions are as follows.

- Sites for 34 first-level schools are owned and controlled/managed by the Minister for Education and Skills.
- 145 schools are operating on sites and/or buildings owned/leased by the Minister for Education and Skills and are controlled/managed by Boards of Management. These include 79 gaelscoileanna, 51 multidenominational schools, five community national schools, nine model schools and one Catholic school.

**3 Post-primary level**

There are a total of 718 post primary schools. 362 schools are privately owned. The remainder are operating as follows.

- 14 comprehensive schools, 78 community schools and 16 secondary schools owned by the Minister for Education and Skills are controlled/managed by Boards of Management.
- 248 post primary schools are vested in Education and Training Boards under the Education and Training Board Act 2013.
- Sites for 20 second-level schools are owned and controlled/managed by the Minister for Education and Skills.

**4 Other**

Following the enactment of the Children's Act 2001, the only outstanding matter relating to one children detention centre is the notification to the Property Registration Authority by the CSSO of the change of ownership of the school property from the Minister for Education to Tusla (The Child and Family Agency). The CSSO have been instructed by the Department to notify the Property Registration Authority of the change of ownership. This property is not included as an asset in Note 2.2 above as the property is not in the control of the Minister, rather it is in the control of the institution's own authority.

The Minister is one of two guarantors of the Middletown Centre for Autism (Holdings) Limited, a company limited by guarantee, which owns and holds a property in Co. Armagh, which is used for the Middletown Centre for Autism.

**2.3 Bank and cash**

at 31 December	<b>2018</b>	<b>2017</b>
	<b>€000</b>	<b>€000</b>
PMG balances	6,373	16,442
Commercial bank account balances	339	400
Petty cash	3	3
	<b>6,715</b>	<b>16,845</b>

**2.4 Prepayments**

at 31 December	<b>2018</b>	<b>2017</b>
	<b>€000</b>	<b>€000</b>
Advance to Waterford Institute of Technology <sup>a</sup>	9,031	9,031
Advance to Bus Éireann – school transport	4,211	7,493
Rental of temporary school accommodation	2,182	1,424
Other	3,168	1,077
	<b>18,592</b>	<b>19,025</b>

Note <sup>a</sup> Agreement was reached between the Department and Waterford Institute of Technology to defer the amount of the advance that was due for repayment in 2018.



**2.5 Other debit balances**

at 31 December	2018	2017
	€000	€000
Agency payments OPW	515	5
Amounts due from the Redress Special Account	—	146
Cycle to work scheme	56	53
Energy Building Programme	101	—
Payroll suspense	—	3
Recoupable salaries	172	168
Travel pass scheme	206	50
Schools Broadband Programme	1,440	1,440
Shared offices' costs recoupment	93	119
Superannuation related payovers	—	3
Travel and subsistence advances	7	31
	<b>2,590</b>	<b>2,018</b>

**2.6 Other credit balances**

at 31 December	2018	2017
	€000	€000
<b>Amounts due to the State</b>		
Income Tax	1,187	1
Pay Related Social Insurance	691	—
Universal Social Charge	253	—
Local Property Tax	9	—
Professional Services Withholding Tax	634	20
Relevant Contracts Tax	289	—
Value Add Tax	1	—
Pension contributions	56	16
	<b>3,120</b>	<b>37</b>
Agency payments to OPW	8	57
Amounts due to the Redress Special Account	60	—
Cycle to work scheme	1	2
Energy Building Programme	—	311
Exchequer extra receipts	848	—
Payroll suspense	—	4
Superannuation related payovers	8	23
Travel and subsistence advances	5	—
Travel pass scheme	1	1
	<b>4,051</b>	<b>435</b>

**2.7 Net Exchequer funding due**

	<b>2018</b>	<b>2017</b>
	<b>€000</b>	<b>€000</b>
Surplus to be surrendered	114,464	24,540
Exchequer grant undrawn	(109,138)	(12,270)
<b>Net Exchequer funding due</b>	<b><u>5,326</u></b>	<b><u>12,270</u></b>
<b>Represented by:</b>		
<b>Debtors</b>		
Bank and cash	6,715	16,845
Other debit balances	2,590	2,018
Amounts due from the EU	72	40
	<u>9,377</u>	<u>18,903</u>
<b>Creditors</b>		
Due to the State	(3,120)	(37)
EU moneys for distribution	—	(6,198)
Other credit balances	(931)	(398)
	<u>(4,051)</u>	<u>(6,633)</u>
	<b><u>5,326</u></b>	<b><u>12,270</u></b>

**2.8 Commitments**

at 31 December	<b>2018</b>	<b>2017</b>
	<b>€000</b>	<b>€000</b>
<b>Global commitments</b>		
Procurement of goods and services	11,398	4,336
Non-capital grant programmes <sup>a</sup>	3,878,593	3,742,515
Capital grant programmes <sup>b</sup>	111,100	77,200
Capital projects <sup>c</sup>	332,281	321,697
Public Private Partnerships projects	2,025,360	1,531,951
<b>Total legally enforceable commitments</b>	<b><u>6,358,732</u></b>	<b><u>5,677,699</u></b>
	<b>2018</b>	<b>2017</b>
	<b>€000</b>	<b>€000</b>
<b>Non-capital grant programmes</b>		
Opening balance <sup>d</sup>	3,742,515	3,608,043
Grants paid in year <sup>e</sup>	(3,746,943)	(3,599,398)
New grant commitments <sup>f</sup>	3,878,593	3,742,515
Net grant (under)/overspend <sup>g</sup>	4,428	(8,645)
Closing balance	<b><u>3,878,593</u></b>	<b><u>3,742,515</u></b>

	2018	2017
	€000	€000
<b>Capital grant programmes</b>		
Opening balance <sup>d</sup>	77,200	74,200
Grants paid in year <sup>e</sup>	(76,433)	(65,264)
New grant commitments <sup>f</sup>	111,100	77,200
Net grant (under)/overspend <sup>g</sup>	<u>(767)</u>	<u>(8,936)</u>
Closing balance	<u><b>111,100</b></u>	<u><b>77,200</b></u>

- Notes
- <sup>a</sup> Non-capital grant programmes relate to grants that will be made to aegis bodies and other organisations including schools and colleges to fund current expenditure including pay. 2017 amount restated following a review of the categorisation of transactions under these headings.
  - <sup>b</sup> Capital grant programmes relate to grants that will be made to aegis bodies for all capital projects, including universities, institutes of technology and education and training boards. 2017 amount restated following a review of the categorisation of transactions under these headings.
  - <sup>c</sup> Capital projects are those managed and overseen by the Department itself.
  - <sup>d</sup> Opening balance for 2018 is the provision for grants that has been included in the 2018 Revised Estimates Volume. The opening balance for 2017 is the provision for grants that was included in the 2017 Revised Estimates Volume
  - <sup>e</sup> Grants paid in the year is the actual expenditure charged against the Revised Estimates Volume provision in 2018.
  - <sup>f</sup> New grant commitments is the provision for grants that has been included in the 2019 Revised Estimates Volume.
  - <sup>g</sup> Net grant underspend occurs where actual expenditure is lower than originally estimated. Net grant overspend occurs where actual expenditure is higher than originally estimated.

#### Major capital projects

##### Capital projects involving total expenditure of €10,000,000 or more

	Cumulative expenditure to 31 December 2017 €000	Expenditure in 2018 €000	Project commitments in subsequent years €000	Expected total spend lifetime of project 2018 €000	Expected total spend lifetime of project 2017 €000
Primary and post primary schools (subhead D3)	381,826	111,569	189,015	682,410	524,766
Universities, institutes of technology and other designated institutions of higher education (subhead D4)	76,254	15,712	101,819	193,785	125,741
<b>Total</b>	<u><b>458,080</b></u>	<u><b>127,281</b></u>	<u><b>290,834</b></u>	<u><b>876,195</b></u>	<u><b>650,507</b></u>

#### Significant variations

A schedule of all major capital commitments projects of €10 million or more is provided at Appendix B with an explanation where the projected total expenditure increased/decreased by more than €500,000 from 2017 to 2018.

**Unitary payments of Public Private Partnership projects**

The Department has to date entered into nine separate contracts to design, build, finance, maintain and operate educational accommodation under the Public Private Partnership (PPP) model. PPPs are structured arrangements between public sector bodies and private sector investors for the purpose of providing infrastructure projects that would otherwise be delivered through traditional procurement mechanisms with all related construction expenditure being made up front. The costs are paid by the Department in the form of monthly unitary charges spread over 25 years, with the first unitary charge payable once construction has been completed. A brief summary of the PPP projects is provided at Appendix C.

Name of PPP project	Cumulative Expenditure to 31 December 2017	Expenditure in 2018 <sup>a</sup>	Legally enforceable commitments to be met in subsequent years	Project total 2018	Project total 2017
	€000	€000	€000	€000	€000
National Maritime College of Ireland PPP	119,760	7,188	60,900	187,848	187,861
Five Pilot Schools Bundle	172,100	10,798	104,420	287,318	288,703
Cork School of Music	93,655	8,278	118,337	220,270	220,818
1st Bundle PPP Schools	72,782	9,102	161,968	243,852	244,655
2nd Bundle PPP Schools	87,959	12,382	237,034	337,375	338,557
3rd Bundle PPP Schools	70,320	14,992	325,440	410,752	411,815
4th Bundle PPP Schools	21,539	7,580	180,517	209,636	213,176
5th Bundle PPP Schools	—	5,107	248,070	253,177	264,481
Grangegorman Quads	—	—	588,674	588,674	—
	<b>638,115</b>	<b>75,427</b>	<b>2,025,360</b>	<b>2,738,902</b>	<b>2,170,066</b>

Note <sup>a</sup> The expenditure reflected at the end of 2018 relates specifically to capital payments e.g. unitary charges. The expenditure in the table above is included in the overall outturn of subhead D5 of €83.31 million, the D5 subhead also includes certain grant payments to PPP classified schools.

**Significant variations**

An explanation is provided below where projected total expenditure increased/decreased by more than €500,000 from 2017 to 2018.

**Indexation**

The Department makes monthly unitary charge payments to the relevant PPP company on all operational PPP projects. The unitary charge payment is made up of two elements, a fixed cost element and a variable (indexed) element which changes in line with the Consumer Price All Item Index (CPI). An indexation review date is specified in each contract. Once the indexation factor is determined, the annual unitary charge is calculated by adding the fixed and adjusted variable values.

**Refinancing**

PPP project funding may be refinanced, with the consent of the State partner, during or after the construction phase. The refinancing gain is shared between the PPP Company and the State partner under terms outlined in the PPP Project Agreement. Refinancing was successfully achieved for Schools Bundle 4 in December 2018 and Schools Bundle 3 in January 2019.

**Five Pilot Schools Bundles**

The decrease in costs from 2017 to 2018 of €1.385 million arises primarily due to indexation. In the case of the Pilot Bundle, a higher percentage of the unitary charge is subject to indexation than is the case with other bundles. In that context, there is a greater degree of year-to-year fluctuation in projections for this bundle.

**Cork School of Music**

The decrease in costs from 2017 to 2018 of €548,000 arises primarily due to indexation.

**Schools Bundle 1**

The decrease in costs from 2017 to 2018 of €803.000 arises primarily due to indexation.

**Schools Bundle 2**

The decrease in costs from 2017 to 2018 of €1.182 million arises primarily due to indexation.

**Schools Bundle 3**

The decrease in costs from 2017 to 2018 of €1.063 million arises primarily due to indexation.

**Schools Bundle 4**

The decrease in costs from 2017 to 2018 of €3.54 million arises primarily due to indexation and refinancing.

**Schools Bundle 5**

There are four post primary schools, one primary school and one further education college in the 5th Bundle PPP Project. They are located in Carlow (1 school and 1 Further Education College); Kells, Co. Meath; Bray, Co. Wicklow (two schools) and Wexford.

The contract for the design, build, financing and maintenance of the schools was signed in July 2016 with Inspired Spaces Bundle 5 (Ireland) Ltd. Inspired Spaces appointed Carillion Construction Ltd as the main construction contractor, which further sub-contracted the work to Sammon Contracting Ireland Ltd. Carillion AMBS Ltd was appointed as the facilities management contractor.

The schools were expected to be completed and ready for handover between Quarter 4, 2017 and Quarter 1, 2018. However, the liquidation of both Carillion Construction Ltd and Carillion AMBS Ltd resulted in the termination of the works and facilities management contracts, and delayed service commencement. In June 2018, arrangements were put in place for the appointment of a replacement construction contractor

Under the PPP contract for Schools Bundle 5, the period of 25 years during which monthly Unitary Charge payments were to have been made began on the date each school was scheduled to reach service commencement under the contract. However, because of the delay in delivery of the schools, the actual payment of Unitary Charges did not commence until significantly later than envisaged, when the schools reached service commencement. As part of a contract restructuring agreed in October 2018, the contract period was extended by four months, i.e. from 318 months to 322 months, with the additional four months added on to the end of the original contract period in 2043. The delay in delivery of the schools resulted in the Unitary Charge payments during 2018 being significantly lower than expected. Construction VAT was also lower than the original estimate. The actual delay in delivery of the schools has ranged between 9 months and 18 months.

**Grangegorman Quads**

The Grangegorman PPP Project, which comprises the Central and East Quads, will deliver significant academic infrastructure for TU Dublin; at Grangegorman. The contract for the design, build, financing and maintenance of the buildings was signed in March 2018. Construction is scheduled to be completed in 2020.

**Liquidations and Examinerships 2018**

There have been four contractors/PPP operators whose liquidation and/or examinership have impacted on the delivery of projects overseen by the Department. The liquidation of Carillion and subsequent liquidation of Sammon Contracting Ireland Ltd (SCIL) impacted on PPP Schools Bundle 5, which comprised five school building projects and one further education building project. Liquidations/examinerships also impacted on eight traditional school projects as follows: (i) SCIL (four additional projects), (ii) McAleer & Teague (three projects) and (iii) Manleys (one project).

In seven cases, including Schools Bundle 5, new contractors have had to be appointed. In the other cases, the original contractor was able to finish the work. The Department is not yet in a position to provide the full cost implications of these events.

**2.9 Matured liabilities**

at 31 December	2018	2017
	€000	€000
Estimate of matured liabilities not discharged at year end	603	212

**2.10 Contingent liability****Child abuse inquiry and redress schemes**

There will be further payments associated with the Commission to Inquire into Child Abuse (CICA) and the Residential Institutions Redress Scheme. In respect of CICA, it is estimated that additional costs of €1 million could arise in meeting the Commission's remaining costs. A further €1 million may arise in respect of the redress scheme which includes a provision for any potential awards pending the dissolution of the Residential Institutions Redress Board (see Note 6.3 for costs to date).

**Middletown Centre for Autism**

A pension liability in the region of €336,000 as at end 2018 may arise in relation to an agreement between Department of Education for Northern Ireland Local Government Pension Scheme and Department of Education and Skills. In the agreement, dated 16 November 2007, the Departments guaranteed payment in full of any pension liabilities of Middletown Centre for Autism Ltd in the event that the Centre ceases to exist or is otherwise unable to discharge its pension liabilities. The Centre continues to operate and this liability is not expected to arise in the immediate future.

**Schools remediation programme**

A programme of initial structural assessments was carried out in October and November 2018 at 42 schools constructed by Western Building Systems. The initial assessments resulted in precautionary measures being put in place at 22 schools, the partial closure of one school building with the remaining 19 schools cleared to open in full initially without any precautionary measures as an interim response. Two schools investigated at that time have since moved to purpose built accommodation and are, consequently, no longer the subject of the schools remediation programme which was established by the Department to implement the permanent remediation works in 40 schools. The Department will seek to pursue the contractor in question for the costs of the precautionary measures and any permanent remediation works in those schools.

## Note 3 Vote Expenditure

### Analysis of administration expenditure

	2018		2017
	Estimate provision	Outturn	Outturn
	€000	€000	€000
i. Salaries, wages and allowances	63,480	62,971	59,517
ii. Travel and subsistence	1,761	1,698	1,766
iii. Training and development and incidental expenses	1,742	1,785	1,596
iv. Postal and telecommunications services	2,200	2,816	2,376
v. Office equipment and external IT services	6,239	6,968	5,677
vi. Office premises expenses	1,951	1,820	1,931
vii. Consultancy and other services	130	121	50
viii. National Educational Psychological Service	19,795	19,497	17,853
	<b>97,298</b>	<b>97,676</b>	<b>90,766</b>

#### Significant variations

Administration expenditure has been apportioned across the programmes, to present complete programme costings. The following presents an analysis of the administration expenditure of the Vote and outlines the reasons for significant variations (+/- 25% and +/- €100,000).

#### iv *Postal and telecommunications services*

Estimate provision: €2.2 million, outturn: €2.816 million

The increase in expenditure of €616,000 relative to the estimate provision was primarily due to the full year effect of an increase in postage costs and increased numbers on the payroll.

**Programme A First, Second and Early Years Education**

		2018		2017
		Estimate provision		Outturn
		€000	€000	€000
A.1	Administration – pay	65,445	60,941	57,414
A.2	Administration – non pay	12,525	13,512	12,318
A.3	Salaries, wages and allowances (including incidental payments) of primary school teachers	2,415,590	2,433,442	2,288,684
A.4	Salaries, wages and allowances (including incidental payments) of secondary, comprehensive and community school teachers	1,288,926	1,286,534	1,183,387
A.5	Grants to Education and Training Boards in respect of ETB teachers' salaries	686,919	692,008	640,978
A.6	Salaries, wages and allowances (including incidental payments) of special needs assistants in primary and post primary schools	525,569	520,290	476,069
A.7	Salaries, wages and allowances (including incidental payments) of non-teaching staff in primary and post primary schools (excluding special needs assistants)	112,457	105,573	102,597
A.8	Superannuation etc. in respect of teaching and non-teaching staff			
		<i>Original</i>	1,062,865	
		<i>Supplementary</i>	130,000	
			1,192,865	1,189,109
A.9	School transport services	190,000	200,275	188,535
A.10	Grants (including capitation) payable to primary and post primary schools, Education and Training Boards and other educational organisations and institutions	437,742	444,567	434,321
A.11	Grants to education bodies working in the primary and post primary sectors	87,794	87,175	80,148
A.12	Teacher education	34,026	30,898	27,886
A.13	Payments in respect of residential institutions redress and costs associated with the Child Abuse Commission	1,714	1,688	2,022
A.14	Miscellaneous grants and services	76,597	67,297	54,459
		<b>7,128,169</b>	<b>7,133,309</b>	<b>6,661,168</b>

**Significant variations**

Overall, the expenditure in relation to Programme A was €135.14 million higher than (originally) provided. The variance was mainly due to the following:

**A.7 Salaries, wages and allowances (including incidental payments) of non-teaching staff in primary and post primary schools (excluding special needs assistants)**

Estimate provision: €112.457 million, outturn: €105.573 million

The decrease in expenditure of €6.884 million relative to the estimate provision was due to.

- €3.3 million savings primarily attributed to the later than expected filling of additional sanctioned posts until the later part of 2018. There were other factors, which are difficult to precisely forecast, such as increments, sick leave, maternity, retirements and resignations in the ETB sector.
- €2.5 million savings from an over estimation of pay costs required for non-teaching staff of community and comprehensive schools and lower than expected pay costs under the Public Service Stability Agreement (PSSA) 2018-2020.



- €1.1 million savings from reduced numbers of caretaker and clerical officer posts in primary schools and clerical officers in voluntary secondary, community and comprehensive schools being paid from the subhead. The scheme is subject to a phasing out policy and as posts fall vacant they are not filled.

**A.8 Superannuation etc. in respect of teaching and non-teaching staff**

Estimate provision: €1,062.865 million, outturn: €1,189.109 million

The increase in expenditure of €126.244 million relative to the estimate provision was primarily due to additional costs arising from a higher number of retirees in receipt of pensions and lump sums along with higher average gratuity costs than had been allocated in the original estimate. There were 2,074 retirements in 2018 compared with 1,739 retirements in 2017 and 1,301 higher than the 773 which were provided for in the original estimate.

**A.9 School transport services**

Estimate provision: €190 million, outturn: €200.275 million

The increase in expenditure relative to the estimate provision was due to overall increased costs for school transport of €16.951 million in 2018. The overall increase mainly comprises of.

- €10 million related to increased costs in the provision of Special Education Needs (SEN) transport scheme and growing numbers of eligible students in the region of 13,000 pupils availing of the scheme in 2018, compared to 12,500 in 2017.
- €4 million to the provision of additional School Bus Escorts in line with the increasing numbers on SEN transport
- €2 million of which relates to the provision of transport services to mainstream students.

The additional €16.951 million expenditure in 2018 was offset by a reduction in payments to Bus Éireann of €6.676 million, which had been held in reserve by Bus Éireann and available for future school transport operations. This decision was taken by the Department, in consultation with the Department of Public Expenditure and Reform, to clear the full amount of the uncommitted reserve held by Bus Éireann.

**A.12 Teacher education**

Estimate provision: €34.026 million, outturn: €30.898 million

The decrease in expenditure of €3.128 million relative to the estimate provision was due to.

- A revised timetable of curriculum reform and the introduction of new subjects on a pilot phase in a reduced number of schools resulting in savings of €1.2 million.
- Reduced availability of part time personnel to provide training compared to projections for the Junior Cycle for Teachers (JCT) and Assessment and Guidance training not progressing during 2018 resulting in savings of €600,000.
- Lower than anticipated take up on coaching for school principals resulted in savings of €500,000.
- Lower than anticipated net expenditure associated with the Teacher Professional Networks and Education Centre Network of €500,000.
- The remaining savings related to timing issues in a number of other projects including.
  - a delay in the progression of a research project with the Educational Research Centre (ERC) (€100,000) and;
  - the rollout of training for Boards of Management at primary and post-primary level for the new Child Protection procedures (€100,000) and;
  - savings in a marketing campaign aimed at promoting teaching as a career (€100,000).

A.14 *Miscellaneous grants and services*

Estimate provision: €76.597 million, outturn: €67.297 million

The decrease in expenditure of €9.3 million relative to the estimate provision was mainly due to.

- Extended contract negotiations in shared services projects in ETB and higher education and consequential delays in payments resulted in an overall savings of €4.856 million.
- Overall savings of €2.012 million under the Schools ICT Programme mainly comprising
  - €1.629 million due to new lower cost contracts for the Schools Broadband Programme, managed on behalf of the Department by HEAnet;
  - lower than anticipated expenditure under the Schools Excellence Fund Digital and Science, Technology, Engineering and Mathematics (STEM) Programme (€168,000);
  - delays in the implementation of the Digital Strategy for Schools and higher than anticipated number of schools ineligible under the criteria for ICT Infrastructure Grant Funding (€209,000).
- Lower than anticipated costs associated with State Claims Agency and other legal costs of €960,000.
- Savings of €640,000 associated with a delay in implementing the Languages Strategy.
- A range of other savings across a number of areas including.
  - lower than anticipated expenditure associated with the phased expansion of the Financial Support Services Unit (FSSU) to the Primary, Community and Comprehensive sectors (€254,000);
  - decreased cost of printing of Sidéan Sí (€190,000);
  - lower than anticipated expenditure under the Occupational Health Strategy (€96,000);
  - lower than anticipated expenditure associated with the Network for Teaching Entrepreneurship and Irish Sign Language Training projects (€100,000);
  - lower than anticipated expenditure associated with patronage divestment process (€125,000).

**Programme B Skills Development**

	2018		2017
	Estimate provision	Outturn	Outturn
	€000	€000	€000
B.1 Administration – pay	3,733	4,380	3,040
B.2 Administration – non pay	825	1,059	681
B.3 Grants to SOLAS in respect of administration and general expenses	24,107	21,340	23,363
B.4 European Social Fund (ESF) and European Globalisation Fund (EGF) supports	620	540	475
B.5 Grants to SOLAS in respect of further education and training activities	309,693	296,464	263,855
B.6 Grant to Quality and Qualifications Ireland (QQI)	4,505	5,381	4,344
B.7 Superannuation etc. payable to former members of FÁS, SOLAS and An Comhairle Oiliúna (ANCO)	33,000	32,170	32,064
B.8 Miscellaneous grants and services	25	25	—
B.9 Regional Skills FORA Services	—	—	924
	<b>376,508</b>	<b>361,359</b>	<b>328,746</b>

**Significant variations**

Overall, the expenditure in relation to Programme B was €15.149 million lower than (originally) provided. The variance was mainly due to the following:

**B.3 Grants to SOLAS in respect of administration and general expenses**

Estimate provision: €24.107 million, outturn: €21.34 million

The decrease in expenditure of €2.767 million relative to the estimate provision was primarily due to savings of €1.5 million arising from certain SOLAS programmes such as Strategic Evaluation and Workplace Development, which involve elements of contracting outside support, not proceeding as early in 2018 as anticipated. The balance of €1.267 million relates to funding retained by the body at the end of 2017 which was offset in the 2018 grant payments in compliance with Circular 13/2014.

**B.6 Grant to Quality and Qualifications Ireland (QQI)**

Estimate provision: €4.505 million, outturn: €5.381 million

The increase in expenditure of €876,000 relative to the estimate provision was due to an additional funding request from QQI to make a payment to the Revenue Commissioners for 2018 and previous years in respect of VAT for services purchased from abroad that are taxable where received.

**Programme C Higher Education**

	Estimate provision		2018	2017
			Outturn	Outturn
	€000	€000	€000	€000
C.1 Administration – pay		3,598	4,261	4,091
C.2 Administration – non pay		796	1,030	917
C.3 Grant for general expenses of Higher Education Authority		6,351	6,488	6,251
C.4 General current grants to universities, institutes of technology and other designated institutions of higher education		1,007,355	1,007,368	988,655
C.5 Training colleges for primary teachers - excluding those funded through the Higher Education Authority		6,257	5,773	5,752
C.6 Dublin Dental Hospital (grant)		11,358	11,608	11,067
C.7 Dublin Institute for Advanced Studies (grant)		6,731	6,731	6,566
C.8 Royal Irish Academy of Music (grant)		3,163	3,163	3,001
C.9 Grants to certain third level institutions		7,844	7,603	7,425
C.10 Superannuation etc. payable to former staff of universities and institutes of technology				
	<i>Original</i>	94,997		
	<i>Supplementary</i>	17,000		
		111,997	114,990	102,639
C.11 Student support and related expenses		406,877	394,191	404,614
C.12 Research activities		40,600	40,600	40,600
C.13 EU, international and north south activities		6,989	6,138	5,621
C.14 Grangegorman Development Agency		3,138	2,985	2,771
C.15 Miscellaneous grants and services		100	94	68
		<b>1,623,154</b>	<b>1,613,023</b>	<b>1,590,038</b>

**Significant variations**

Overall, the expenditure in relation to Programme C was €6.869 million higher than (originally) provided. The variance was mainly due to the following:

**C.5 Training colleges for primary teachers – excluding those funded through the Higher Education Authority**

Estimate provision: €6.257 million, outturn: €5.773 million

The decrease in expenditure of €484,000 relative to the estimate provision was due to delays in the implementation of the Irish language strategy of €400,000 and a number of small efficiencies achieved across a number of budget areas.

**C.10 Superannuation etc. payable to former staff of universities and institutes of technology**

Estimate provision: €94.997 million, outturn: €114.99 million

The increase in expenditure of €19.993 million relative to the estimate provision was due to additional expenditure arising from a higher number of retirees in receipt of pensions and lump sums along with higher average gratuity costs than had been allocated in the original estimate. There were 3,158 retirements in 2018 compared with an estimated 2,883 retirements and 227 lump sum payments compared to the 76 allocated in the original estimate.

*C.13 EU, international and north south activities*

Estimate provision: €6.989 million, outturn: €6.138 million

The decrease in expenditure of €851,000 relative to the estimate provision was mainly due to.

- lower than expected national contribution to UNESCO (€230,000)
- lower than anticipated payments of matching funding to the George Mitchell Scholarship fund (€200,000) and
- lower than anticipated drawdown from Enterprise Ireland in respect of the promotion of Ireland as a centre for international education (€420,000).

**Programme D Capital Services**

	2018		2017
	Estimate provision	Outturn	Outturn
	€000	€000	€000
D.1 Administration – pay	8,499	10,061	10,052
D.2 Administration – non pay	1,877	2,432	2,253
D.3 Building equipment and furnishings of primary and post primary schools	558,605	573,299	555,520
D.4 Building grants and capital costs of universities, institutes of technology and other designated institutions of higher education	30,000	33,850	22,000
D.5 Public private partnership costs	93,230	83,310	71,570
	<b>692,211</b>	<b>702,952</b>	<b>661,395</b>

**Significant variations**

Overall, the expenditure in relation to Programme D was €10.741 million higher than (originally) provided. The variance was mainly due to the following:

*D.4 Building grants and capital costs of universities, institutes of technology and other designated institutions of higher education*

Estimate provision: €30 million, outturn: €33.85 million

€3.85 million was allocated from other savings identified under the Department's capital allocation in order to meet significant demands presenting in respect of higher education capital projects in 2018. This additional allocation allowed further payments in 2018 against capital commitments in the higher education sector, primarily a payment to the University of Limerick for Phase II of the Glucksman Library.

*D.5 Public private partnership costs*

Estimate provision: €93.23 million, outturn: €83.31 million

The decrease in expenditure of €9.92 million relative to the estimate provision was mainly due to.

- A delay in the service delivery of the remaining Schools Bundle 5 programme resulted in payments in respect of unitary charges being €7.3 million lower than anticipated.
- A delay until 2019 in the provision of a permanent extension in a specific school resulting in a saving of just over €2 million.
- Inflation levels in 2018 were lower than originally envisaged resulting in lower than projected indexation on unitary charge payments across the Pilot Bundle, Schools Bundle 1,2,3, and 4. This resulted in lower than projected unitary charge payments across these bundles of circa €640,000. Due to the delay in service delivery of Schools Bundle 5, unitary charge projections for this bundle continued to change to reflect the anticipated delivery date of these schools.

## Note 4 Receipts

### 4.1 Appropriations-in-aid

	2018		2017
	Estimated	Realised	Realised
	€000	€000	€000
E.1 Superannuation contributions	205,447	174,115	170,205
E.2 Receipts in respect of the European Social Fund (ESF), European Globalisation Fund (EGF) and other miscellaneous EU receipts			
	<i>Original</i> 35,025		
	<i>Supplementary</i> (34,700)	325	23,173
E.3 Receipts from pension-related deductions on public service remuneration	266,451	292,871	265,614
E.4 Secondments/ overpayments	3,824	5,057	4,271
E.5 Miscellaneous	5,748	5,001	3,325
	<b>481,795</b>	<b>586,860</b>	<b>466,588</b>

#### Significant variations

Overall, appropriations-in-aid were €70.365 million higher than the original estimate forecast.

Explanations for variances are set out below

#### E.1 Superannuation contributions

Estimate provision: €205.447 million, outturn: €174.115 million

Superannuation receipts were €31.332 million less than the original provision mainly due to.

- Single Pension Scheme (SPS) contributions of €29.188 million were paid to Vote 12, Superannuation and Retired Allowances. The original estimate did not take into account the changes introduced as part of the Single Pension Scheme, whereby such receipts in respect of new entrants to the public sector are not retained by the Department.
- There were fewer than anticipated one-off purchases of additional voluntary contributions than profiled resulting in €1.562 million fewer receipts than profiled.

#### E.2 Receipts in respect of the European Social Fund (ESF), European Globalisation Fund (EGF) and other miscellaneous EU receipts

Estimate provision: €35.025 million, outturn: €109.816 million

The increase of €74.791 million arose as the initial estimate of €35.025 million was a conservative forecast regarding potential ESF/YEI receipts arising from the first payment application under the Programme for Employability, Inclusion and Learning (PEIL) 2014-2020. Payment applications can only be made to the European Commission following the designation of the relevant ESF authorities and the Irish ESF authorities were designated on 13 November 2018. The first payment applications were submitted to the Commission on 22 November 2018. Within these applications, €205.8 million was in respect of education and training activities pre-financed from the DES Vote and resulted in €109.4 million (€76.4 million pay and €33 million non-pay) in ESF receipts by year-end.

At the time the applications were made to the European Commission, it was not guaranteed that the receipts would be brought to account within 2018. On that basis, a prudent approach was taken to the formulation of a supplementary estimate provision and a reducing supplementary estimate of €34.7 million was applied. In the event, the payment of €109.4 million was received from the European Commission on 10 December 2018.

**E.3 Receipts from pension-related deductions on public service remuneration**

Estimate provision: €266.451 million, outturn: €292.871 million

The increase of €26.42 million relative to the estimate provision was primarily due to pay increases under the Public Services Stability Agreement (PSSA) which resulted in a 1% pay increase in January and October 2018. The amount of pension related deduction (PRD) received is directly related to the cost of payrolls.

**E.4 Secondments/ overpayments**

Estimate provision: €3.824 million, outturn: €5.057 million

The increase of €1.233 million relative to the estimate provision was due to overpayment recovery receipts being higher than anticipated. It is difficult to accurately predict the level of these receipts as recoupment of overpayments may be on a once-off basis or on a phased basis.

**E.5 Miscellaneous**

Estimate provision: €5.748 million, outturn: €5.001 million

The shortfall of €747,000 was primarily due to.

- €950,000 lower than anticipated capital receipts in local authority funding and a revision in the Waterford Institute of Technology advance repayment.
- €200,000 higher than anticipated other miscellaneous receipts for Social Welfare refunds for maternity, disability and paternity costs, dormant accounts and other miscellaneous receipts.

## 4.2 Extra receipts payable to the Exchequer

	2018	2017
	€000	€000
Balance at 1 January	—	—
Recoupment of unspent funding from HEA/IRC <sup>a</sup>	831	2,590
Disposals of assets <sup>b</sup>	17	—
Receipts from conscience money	27	1
Transferred to the Exchequer	(27)	(2,591)
<b>Balance at 31 December</b>	<b>848</b>	<b>—</b>

Notes <sup>a</sup> In December 2018, €831,374 of the Exchequer extra receipts arose from the recoupment of unspent funding from the HEA in respect of grants made by the Irish Research Council in prior years which remained unspent, and which were returned. These funds were surrendered to the Exchequer in 2019.

<sup>b</sup> Towards the end of 2018, the proceeds of €16,900 arising from the sale of a car to the HEA from SOLAS were transferred to the Department in line with the policy that all proceeds from the sale of assets should be returned to the parent Department. These funds were subsequently surrendered by the Department to the Exchequer in 2019.



## Note 5 Staffing and Remuneration

### 5.1 Employee numbers (full time equivalents)

	2018	2017
Number of staff at year end	109,000	106,062

The third level posts reported below include only core-funded posts as only these posts are included in the overall count of public sector numbers.

### 5.2 Staffing numbers and associated pay related expenditure Vote 26

Category of staff remunerated	Subhead from which funds disbursed	Public sector numbers as at 31 December 2018	Pay related expenditure 2018 €000
<b>First level</b>	A.3 Primary teachers	37,527	2,433,442
	A.6.1 Special needs assistants	11,926	418,978
	A.7.1 Non-teaching staff	243	9,959
<b>Second level</b>	A.4 Secondary teachers	19,658	1,286,534
	A.5 ETB teachers	12,655	692,008
	A.6 (2-3) Special needs assistants	3,047	101,312
	A.7(2-4) Non-teaching staff	2,203	95,614
<b>First and second level subtotal</b>		<b>87,259</b>	<b>5,037,847</b>
<b>Third level</b>	C.3 HEA	66	4,148
	C.4 University/IOT/RIA/ colleges of education	18,505	731,308
	C.6 Dublin Dental Hospital	122	10,020
	C.7 Dublin Institute for Advanced Studies (DIAS)	51	4,002
	C.11 Student grant administration	81	3,577
	C.14 Grangegorman Development Agency	21	1,630
	<b>Third level subtotal</b>		<b>18,846</b>

Category of staff remunerated	Subhead from which funds disbursed		Public sector numbers as at 31 December 2018	Pay Related expenditure 2018 €000
Department staff	(i)	Administration	1,100	62,971
	(viii)	National Educational Psychological Services	214	16,672
<b>Department subtotal</b>			<b>1,314</b>	<b>79,643</b>
Other	A.11.1	National Council for Curriculum and Assessment (NCCA)	43	3,588
	A.11.4	State Exams Commission (SEC)	155	11,147
	A.11.5	National Council for Special Education (NCSE)	102	6,990
	A.11.7	Educational Research Centre (ERC)	31	1,959
	A11.9	Creative Ireland	2	129
	A.13.1	Redress Board	5	366
	A.13.2	Commission on Child Abuse	2	252
	A.14	PDST Technology in Education (NCTE)	13	932
	A14.3.4	Public Service Reform	14	772
	B.3.1	SOLAS administration	203	11,049
	B.6	Quality and Qualifications Ireland (QQI)	74	1,905
	B.5	Further education – SOLAS (Education and Training Boards)	840	102,175
	C.8	Royal Irish Academy of Music (RIAM)	60	3,036
<b>Other subtotal</b>			<b>1,544</b>	<b>144,300</b>
<b>Total</b>			<b>108,963</b>	<b>6,016,475</b>

Notes This table outlines pay related expenditure from the Vote for Departmental teaching and non-teaching staff, and staff of bodies funded from Vote 26 during 2018 along with their associated whole time equivalent (WTE) numbers as at 31 December 2018.

The total pay amount of €6,057 million reported in Note 1 (compared to €6,016 million in Table 5.2 above) includes other pay grants paid from the Vote to cover salary costs of staff not included in the public sector returns of the Department.

A further 37 WTE staff in QQI (B.6), HEA (C.3), DIAS (C.7) and RIAM (C.8) are paid from private, research or other exchequer funding and not from DES core funding. These staff are not included in public sector numbers in the above table but are included in the overall employee numbers at note 5.1 above.

### 5.3 Departmental staff <sup>a</sup>

	2018	2017
	€000	€000
Pay <sup>b</sup>	73,652	69,315
Higher, special or additional duties allowance	293	234
Other allowances	48	55
Overtime	431	412
Employer's PRSI	5,219	4,581
<b>Total pay</b>	<b>79,643</b>	<b>74,597</b>

Notes <sup>a</sup> The financial details in this table relate solely to salaries and allowances paid to administrative staff in the Department and staff in the National Educational Psychological Service.

<sup>b</sup> The pay amount for 2017 has been restated as it included €726,000 relating to the Scheme for the Commissioning of Psychological Assessments (SCPA) services. This has been reclassified as non-pay expenditure under viii National Educational Psychological Service.

### 5.4 Allowances and overtime payments

	Number of Recipients	Recipients of €10,000 or more	Highest individual payment	
			2018	2017
			€	€
Higher, special or additional duties	99	4	24,765	18,213
Other allowances	24	—	5,704	5,338
Overtime	222	3	20,676	22,859
Extra remuneration in more than one category	39	1	18,303	22,275

The details of allowances and overtime payments in this table relate solely to Departmental administrative and National Educational Psychological Service staff.

### 5.5 Performance and merit pay

Seven staff in receipt of special service payments under the AHCPs 1% Programme for Competitiveness and Work (PCW) restructuring agreement received in total €18,925 in 2018.

### 5.6 Other remuneration arrangements

32 retired civil servants in receipt of civil service pensions were re-engaged on a fee basis at a total cost of €162,000 which included travel and subsistence costs of €26,000. The payments made were consistent with the principles of the Public Service (Single Scheme and the other provisions) Act 2012.

## 5.7 Payroll overpayments

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### Administrative staff salary overpayments

Overpayments at the year-end were approximately €351,000 in respect of 129 individuals (2017: €354,000, 137 individuals). Of this, 37 have recovery plans in place. 73 individuals who had overpayment values identified but repayment plans were not in place due to timing issues at the year-end and a further 19 individuals where the value of the overpayment was not known at the year-end.

Two overpayment recovery plans were transferred in 2018 to two separate departments. The total value transferred was €15,000.

### Teacher/non-teacher and retired personnel overpayments

Overpayments at the year-end were €5.062 million in respect of 4,293 individuals (2017: €4.597 million, 4,122 individuals). This does not include the supplementary pension overpayments referenced separately below. At the year-end 36 new individuals were identified who do not have repayment plans in place. The Department acts as paymaster on behalf of the managerial authorities of over 3,700 schools and is therefore reliant on school authorities submitting the data required for the appointment, payment and cessation of staff payments on a timely basis.

### Supplementary pension overpayments

Supplementary pension overpayments at the year-end were €1.191 million (2017: €1.4 million). Of the original 320 cases identified, 171 (53%) have completed repayment. A further 137 (43%) are in ongoing payment arrangements. The Department is continuing to monitor and manage those cases where repayment is not yet complete. The remaining 12 cases, which are complex, are being progressed.

### Overpayments as a result of an under-deduction of the Public Service Pension Reduction

Some 89 pensioner's cases were identified in Q3 2018 where an under-deduction in the public service pension reduction took place resulting in overpayments. The Department is liaising with the Department of Public Expenditure and Reform on the issue. The final amount has not yet been identified and repayment plans are not yet in place.

## 5.8 Severance/redundancy

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During 2018, a total of 62 individuals were paid redundancy via the Department's teacher payrolls, in the Department's capacity as paymaster for certain schools. The total amount paid was €1.168 million and included payment for both statutory and non-statutory redundancy sums as appropriate. 44 payments of redundancy exceeded €10,000. The highest value sum paid in 2018 was €51,000.

## Note 6 Miscellaneous

### 6.1 EU funding

Receipts in relation to EU funding received during 2018 and lodged to appropriations-in-aid is detailed in the table below:

EU funding category	2018	2017
	€000	€000
E.2.1 ESF pay	76,376	15,733
E.2.1 ESF non pay	33,033	6,743
E.2.2 EGF programmes	–	370
E.2.3 EC education projects	407	327
	<b>109,816</b>	<b>23,173</b>

#### 2018 ESF receipts

The amount of €109.4 million (€76.4 million pay and €33 million Non-pay) received in 2018, was shown as appropriations-in-aid. The associated expenditure was included in the recorded expenditure from subheads of the Office of the Minister for Education and Skills B3, B5 & C11 for the years 2014 to 2016. Receipts came from the Programme for Employability, Inclusion and Learning (PEIL) 2014-2020, which is a European Social Fund (ESF) co-funded programme.

#### 2018 European Globalisation Adjustment Fund (EGF) receipts

As there was no EGF programme in operation in 2018, there were no receipts.

#### EC education projects

Receipts in 2018 under the EC education projects included compensatory payments for administrative expenses incurred in providing for the Centre for European Schooling, Dunshaughlin, Co. Meath, activities under Ireland's participation in the European Commission's Eurydice information network and the Eurostudent VII project 2018-2021.

### 6.2. 2018 direct EU funding to bodies under the Department's aegis

In addition to the grants from the Vote, direct EU aid to bodies under the aegis of the Department during 2018 was as shown below:

Aegis body	2018	2017
	€000	€000
National Council for Curriculum and Assessment (NCCA)	44	41
National Council for Guidance in Education (NCGE)	76	51
Higher Education Authority (HEA)	252	228
Quality and Qualifications Ireland (QQI)	694	586
Irish Research Council (IRC)	5,264	4,213
Léargas <sup>a</sup>	12,546	10,604
	<b>18,876</b>	<b>15,723</b>

Note <sup>a</sup> Funding for Léargas relates to education only related programmes

**National Council for Curriculum and Assessment (NCCA)**

In 2018, the NCCA received €19,000 in direct EU funding from the EU Erasmus Grant in relation to The Student Voice – The Bridge to Learning Project. In addition, the NCCA received a further €25,000 in direct EU funding in relation to CO-LAB, which is a European funded project focused on collaborative teaching and learning.

**National Council for Guidance in Education (NCGE)**

The National Council for Guidance in Education received EU funding in respect of its Euroguidance, European Guidance Policy Network, European Schools and PLOTEUS project activities in 2018. In total, this funding amounted to €76,000 in 2018. Euroguidance Centre is co-funded by the Commission to promote education mobility and to support the exchange of information across Member States on education training and learning opportunities across the EU. Euroguidance works with guidance counsellors and stakeholders to develop their skills in mobility and provides information on accessing education in Ireland. Euroguidance Ireland is part of the EU Euroguidance Network of 64 Centres across the EU, all co-funded by the Commission.

**Higher Education Authority (HEA)**

In 2018 the HEA received €252,000 in direct EU funding in relation to costs associated with the promotion and administration of Erasmus+ programme in Ireland.

**Quality and Qualifications Ireland (QQI)**

In 2018 QQI received €694,000 in direct EU funding. QQI provide the secretariat to EQUAVET (the European Quality Assurance in Vocational Education and Training) in addition to being the national centre for both EUROPASS and NARIC. QQI also received funding for conducting an external review of IUIL (Institut Universitaire International Luxembourg).

**Irish Research Council (IRC)**

The Council is an associated agency of the Department of Education and Skills and operates under the aegis of the Higher Education Authority. It was established in mid-2012 following the merger of the Irish Research Council for Humanities and Social Sciences (IRCHSS) and the Irish Research Council for Science, Engineering and Technology (IRCSET). In 2018 the Irish Research Council received a total of €5.264 million in direct EU funding, including €4.817 million under the Humanities in the European Research Area (HERA), €20,000 for the ELEVATE International Career Development Fellowship Programme and €427,000 for the Marie Skłodowska-Curie Actions (MSCA) COFUND Postdoctoral Fellowship Programme (entitled CAROLINE – ‘Collaborative Research Fellowships for a Responsive and Innovative Europe’).

**Léargas**

The Department of Education and Skills (DES) is the National Authority for the Erasmus+ programme, the EU's flagship programme for Education and Training. DES appointed Léargas as the National Agency with responsibility for the programme's administration in the fields of Schools, Vocational Education and Training and Adult Education sectors. It is also responsible for the Youth field (DCYA). Léargas is a not-for-profit organisation registered in the Companies Office. Léargas received EU funding in respect of the Erasmus+, Eurodesk, ECVET, E twinning Epale and Euroguidance.

**6.3 Committees, commissions and special enquiries**

	Year of appointment	Cumulative expenditure to 31 December 2018 €000	Expenditure in 2018 €000	Expenditure in 2017 €000
Commission to Inquire into Child Abuse	1999	82,236	689	880
Residential Institutions Redress Scheme <sup>a,b</sup>	2002	1,241,069	751	983
		<b>1,323,305</b>	<b>1,440</b>	<b>1,863</b>

Notes <sup>a</sup> Of the overall expenditure of €1.24 billion on the Residential Institutions Redress Scheme at the end of 2018, €43 million was funded by contributions received from the religious congregations under the 2002 Indemnity Agreement. A further €10 million expenditure was incurred in respect of court settlements pursuant to the 2002 Indemnity Agreement, whereby religious congregations are not liable for any cases settled in court and outside of the redress scheme.

<sup>b</sup> At the end of 2018, the cumulative administration costs for the Residential Institutions Redress Board was €62.3 million and €9.63 million for the Residential Institutions Review Committee.

**Residential Institutions Redress Special Account under Terms of Indemnity Agreement**

Section 23 of the Residential Institutions Redress Act 2002 provided for the establishment of a special account to be funded from "moneys provided by the Oireachtas" and by "a person, with the consent of the Minister (for Education and Science) and the Minister for Finance". In addition to moneys provided by the Oireachtas, funding for the special account comes from moneys contributed under the terms of the indemnity agreement between the State and the contributing congregations. The first schedule of the agreement contains a list of the contributing congregations. Moneys from the special account are used to pay awards made by the Residential Institutions Redress Board and associated legal and settlement costs. The special account is subject to audit by the Comptroller and Auditor General.

**Residential Institutions Statutory Fund Investment Account established by the National Treasury Management Agency**

In April 2010, the Government announced its intention to utilise €110 million of the offers of contributions from religious congregations to establish and operate a statutory fund to support the needs of survivors of residential institutional child abuse. Pending the establishment of the statutory fund, a special interest bearing account, under the dual control of the Department of Public Expenditure and Reform and the Department of Education and Skills was opened in the Central Bank to receive the cash contributions from congregations.

Following the commencement of the Residential Institutions Statutory Fund Act 2012 and the establishment of the Residential Institutions Statutory Fund (RISF) investment account by the National Treasury Management Agency (NTMA), a total of €41.3 million was transferred to the NTMA account in 2013, in accordance with section 29(1) of the 2012 Act. The designated Central Bank account was subsequently closed in 2013.

Between 2013 and 2018 inclusive, €61.7 million was received from congregations and lodged to the RISF investment account. At 31 December 2018, total lodgements into the NTMA account amounted to €103 million, comprising €101.6 million plus additional interest. This represents voluntary contributions received from the religious congregations towards the costs incurred by the State in responding to residential institutional child abuse and intended to provide support for former residents through the Statutory Fund – now Caranua. The 2012 Act provides that the NTMA may advance to the RISF (which uses the name Caranua) sums requested for the purpose of defraying expenditure incurred by it in the performance of its functions. The 2012 Act also provides that the NTMA shall advance to the Minister for Education and Skills sums requested by the Minister to enable payments to be made to the independent Appeals Officer appointed under Section 21 of the 2012 Act. The financial statements of the RISF are subject to audit by the Comptroller and Auditor General.

### 6.4 Compensation and legal costs

	Number of cases	Legal costs paid by Department €000	Compensation awarded €000	Legal costs awarded €000	2018	2017
					Total	Total
					€000	€000
Claims by members of the public	93	550	496	646	1,692	2,111
		<b>550</b>	<b>496</b>	<b>646</b>	<b>1,692</b>	<b>2,111</b>

Note In the course of the day-to-day running of the Department, the total legal costs incurred by the Department in 2018 was €2.265 million (2017: €2.289 million) which includes the legal costs and compensation awards listed above. The table above identifies legal costs and fees paid directly by the Department and does not reflect legal costs of other bodies supported by voted subheads.

### 6.5 Write-offs

The following sums were written off in the year.

	2018	2017
	€000	€000
Legacy travel and subsistence imprest payments	2	—
Payroll overpayments	77	18
	<b>79</b>	<b>18</b>

### 6.6 Fraud and suspected fraud

In the period between the signature of the 2017 Appropriation Accounts and the final 2018 Appropriation Accounts, the Department was made aware of eight new cases of suspected fraud/irregularities. Of these, two cases have a combined value of €2,428. Six remain under investigation and no value has yet been identified.

The Department will continue to make every reasonable effort to recover Exchequer funds where fraud or irregularities have occurred.

### 6.7 Arbitration and conciliation

Expenditure in 2018 includes payments of €163,000 (2017: €240,000) made to contractors and others to cover costs as a result of conciliation and arbitration proceedings. There were nine cases in 2018 (2017: seven). Figures include VAT, legal and professional fees.



**6.8 Late payment interest**

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	2018	2017
Total interest paid	€4,540	€4,054

**6.9 Expenditure on temporary school accommodation**

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During 2018, expenditure under subhead D.3.3 included amounts totalling €26.2 million in respect of temporary premises (2017: €23.4 million).

**6.10 Educational trusts**

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Educational trusts totalling €1.91 million were invested on behalf of the Department in a common investment fund under the stewardship of the Charities Regulator at the close of 2018 (2017: €2.483 million). The Minister for Education and Skills remains the trustee of these educational trusts.

## Appendix A Accounts of bodies and funds under the aegis of the Department of Education and Skills

The following table lists the bodies under the aegis of the Department where the Department has an obligation to present financial statements. It indicates, as at the account signing date, the period to which the last audited financial statements relate and the date they were presented to the Oireachtas.

Body/departmental fund	Last accounting period audited	Date of audit report	Date received by Minister/ Department	Date presented to the Oireachtas
<b>Universities/colleges</b>				
<b>Period of account</b>				
<b>1 October to 30 September</b>				
University College Cork (UCC)	2016	20 Dec 17	15 Jan 18	12 Mar 18
University College Dublin (UCD)	2017	26 Sep 18	15 Oct 18	5 Dec 18
National University of Ireland Galway (NUIG)	2017	9 Jul 18	12 Jul 18	12 Sep 18
National University of Ireland (NUI)	2017	28 Sep 18	4 Oct 18	19 Nov 18
Trinity College Dublin (TCD)	2017	12 Apr 18	19 Apr 18	14 Jun 18
University of Limerick (UL)	2017	18 Dec 18	17 Jan 19	12 Mar 19
Dublin City University (DCU)	2016	4 May 18	15 May 18	29 May 18
National University of Ireland Maynooth (NUIM)	2017	4 May 18	21 May 18	3 Jul 18
Mary Immaculate College, Limerick	2017	18 Dec 18	17 Jan 19	15 Feb 19
St Angela's College of Education, Sligo	2017	7 Nov 18	9 Nov 18	21 Dec 18
National College of Art and Design (NCAD)	2017	21 Dec 18	5 Feb 19	1 Apr 19
<b>Institutes of Technology</b>				
<b>Period of account</b>				
<b>1 September to 31 August</b>				
Athlone	2017	11 Dec 18	21 Dec 18	11 Feb 19
Cork	2017	19 Dec 18	8 Jan 19	5 Mar 19
Dublin	2017	21 Dec 18	14 Jan 19	13 Mar 19
Dundalk	2017	21 Dec 18	14 Jan 19	13 Mar 19
Dun Laoghaire Institute of Art, Design and Technology	2017	9 Nov 18	15 Nov 18	11 Jan 19
Galway-Mayo	2017	18 Dec 18	21 Dec 18	13 Feb 19
Blanchardstown	2017	11 Dec 18	19 Dec 18	11 Feb 19
Carlow	2017	20 Dec 18	14 Jan 19	13 Mar 19
Sligo	2017	18 Dec 18	10 Jan 19	7 Mar 19
Tallaght	2017	10 Dec 18	14 Dec 18	15 Jan 19
Tralee	2017	1 Mar 19	7 Mar 19	3 May 19
Letterkenny	2017	17 Dec 18	24 Jan 19	21 Mar 19
Limerick	2017	9 Nov 18	16 Nov 18	8 Jan 19
Waterford	2016	4 May 18	10 May 18	7 Jun 18

<b>Body/departmental fund</b>	<b>Last accounting period audited</b>	<b>Date of audit report</b>	<b>Date received by Minister/ Department</b>	<b>Date presented to the Oireachtas</b>
<b>Education and Training Boards (ETBs)</b>				
Cavan and Monaghan	2017	29 Jun 18	24 Jul 18	14 Sep 18
City of Dublin	2017	19 Dec 18	24 Dec 18	6 Feb 19
Cork	2017	13 Jul 18	26 Jul 18	14 Sep 18
Donegal	2017	11 Sep 18	14 Sep 18	27 Sep 18
Dublin and Dún Laoghaire	2017	28 Aug 18	29 Aug 18	22 Oct 18
Galway and Roscommon	2017	30 Oct 18	14 Nov 18	29 Nov 18
Kerry	2017	27 Nov 18	29 Nov 18	14 Dec 18
Kildare and Wicklow	2015	24 Dec 18	18 Jan 19	13 Feb 19
Kilkenny and Carlow	2017	23 Jul 18	26 Nov 18	29 Nov 18
Laois and Offaly	2017	24 Jul 18	16 Nov 18	10 Dec 18
Limerick and Clare	2017	28 Nov 18	29 Nov 18	10 Dec 18
Longford and Westmeath	2017	13 Jul 18	24 Jul 18	14 Sep 18
Louth and Meath	2017	29 Nov 18	3 Dec 18	20 Mar 19
Mayo, Sligo and Leitrim	2017	20 Dec 18	21 Dec 18	6 Feb 19
Tipperary	2017	24 Aug 18	29 Aug 18	18 Sep 18
Waterford and Wexford	2017	17 Dec 18	19 Dec 18	23 Jan 19
<b>Aegis bodies</b>				
SOLAS	2017	25 May 18	30 May 18	13 Jul 18
Grangegorman Development Agency	2017	21 Dec 18	4 Jan 19	25 Jan 19
Higher Education Authority (HEA)	2017	29 Jun 18	31 Jul 18	10 Sep 18
National Council for Curriculum and Assessment (NCCA)	2017	24 Dec 18	1 Feb 19	5 Feb 19
National Council for Special Education (NCSE)	2017	11 Dec 18	17 Dec 18	17 Dec 18
Quality and Qualifications Ireland (QI)	2017	21 Dec 18	19 Feb 19	25 Feb 19
State Examinations Commission (SEC)	2017	29 Nov 18	7 Dec 18	12 Dec 18
The Teaching Council	2017	28 May 18	15 Jun 18	To be laid
Educational Research Centre	2017	21 Dec 18	8 Jan 19	7 Mar 19
Caranua	2017	20 Dec 18	12 Feb 19	29 Mar 19
Redress Special Account	2017	21 Sep 18	5 Oct 18	11 Oct 18
Dublin Institute for Advanced Studies (DIAS)	2017	29 Jun 18	6 Jul 18	13 Jul 18
Royal Irish Academy of Music (RIAM)	2017	21 Dec 18	8 Jan 19	5 Mar 19
Royal Irish Academy (RIA)	2017	19 Dec 18	15 Jan 19	13 Mar 19

## Appendix B Major capital commitment projects involving total expenditure of €10,000,000 or more

	Cumulative expenditure to 31 December 2017  €000	Expenditure in 2018  €000	Project commitments in subsequent years  €000	Expected total spend lifetime of project 2018  €000	Expected total spend lifetime of project 2017  €000
<b>Subhead D.3</b>					
1 Hansfield Educate Together Secondary School, Dublin 15	16,668	644	21	17,333	17,050
2 Gaelscoil na nDeise, Carrickphierish Campus, Waterford	14,648	—	126	14,774	14,774
3 St Colmcille's, Dublin 16	16,275	—	342	16,617	16,617
4 Ardgillan Community College, Balbriggan, Co. Dublin	13,556	82	24	13,662	13,587
5 Temple Carrig Secondary School, Wicklow	12,804	—	121	12,925	12,925
6 St John's Primary School, Rathmullen	12,124	680	1,431	14,235	13,724
7 Coláiste Ghlór na Mara, Balbriggan, Co. Dublin	14,659	30	194	14,883	14,882
8 Bremore Educate Together Balbriggan, Co. Dublin	19,864	2,648	1,208	23,720	21,194
9 Le Chéile Secondary School, Mulhuddart, Dublin 15	19,462	339	—	19,801	19,576
10 Portlaoise Parish School, County Laois	13,456	2,771	757	16,984	13,729
11 Newpark Comprehensive Blackrock, County Dublin	13,687	346	6	14,039	13,862
12 Carrigaline Post Primary School, County Cork	14,401	69	80	14,550	14,550
13 Dún an Rí College, Kingscourt, Cavan	14,890	40	261	15,191	15,191
14 Limerick Educate Together, Mungret, Limerick	12,335	145	205	12,685	12,662
15 St Aidan's Parish School, Enniscorthy, Co. Wexford	9,698	564	113	10,375	10,100
16 Michael Street National School, New Ross, Co. Wexford	10,295	758	421	11,474	10,522
17 Sancta Maria College, Rathfarnham, Co. Dublin	7,903	535	2,572	11,010	11,010
18 Clonkeen College, Blackrock, Co. Dublin	12,262	520	77	12,859	12,465

	<b>Cumulative expenditure to 31 December 2017 €000</b>	<b>Expenditure in 2018 €000</b>	<b>Project commitments in subsequent years €000</b>	<b>Expected total spend lifetime of project 2018 €000</b>	<b>Expected total spend lifetime of project 2017 €000</b>
19 Kinsale Community College, Co. Cork	9,908	1,203	150	11,261	10,602
20 Christian Brothers Secondary School, Thomas Street, Wexford	9,493	3,792	815	14,100	11,931
21 Arklow Vocational School, Co. Wicklow	12,173	96	180	12,449	12,460
22 Senior College Dún Laoghaire, Main Street, Blackrock, Co. Dublin	10,474	—	664	11,138	11,138
23 Scoil Phobail, Clifden, Co. Galway	9,566	561	166	10,293	9,857
24 St. Colman's Vocational School, Middleton, Co. Cork	8,166	189	1,975	10,330	9,990
25 St. Fintina's Longwood, Co. Meath	10,294	51	182	10,527	10,689
26 Scoil Naofa Oilbhear Pluinthead, Malahide, Co. Dublin	2,678	4,792	5,994	13,464	13,265
27 Stewards School, Palmerstown, Dublin 20	3,538	5,534	6,544	15,616	15,152
28 Kingswood Community College, Tallaght, Dublin 24	2,816	9,394	6,488	18,698	18,504
29 Coláiste Mhuire, Knockbeg, Carlow	2,214	8,486	5,120	15,820	15,550
30 Presentation College, Athenry, Co. Galway	266	17,893	2,162	20,321	20,267
31 Pobalcoláiste Chú Chulainn, Dundalk, Co. Louth	8,652	7,562	1,145	17,359	17,174
32 Maynooth Post Primary Schools, Co. Kildare	8,712	6,084	22,143	36,939	36,368
33 Gaelscoil Teach Giuise, Tallaght, Dublin 24	8,822	2,934	22	11,778	11,696
34 Mercy Convent Primary School, Naas, Co. Kildare	2,949	2,263	5,164	10,376	10,352
35 St. Mochta's National School, Clonsilla, Dublin 15	3,720	5,784	2,452	11,956	11,626
36 Stepside Educate Together National School, Co. Dublin	8,543	1,507	292	10,342	9,494
37 Tullamore College, Tullamore, Co. Offaly	9,855	1,423	193	11,471	10,231
38 Holy Family Special School, Cootehill, Co. Cavan <sup>a</sup>	—	1,142	12,362	13,504	—

	Cumulative expenditure to 31 December 2017 €000	Expenditure in 2018 €000	Project commitments in subsequent years €000	Expected total spend lifetime of project 2018 €000	Expected total spend lifetime of project 2017 €000
39 CBS Primary School, New Road, Ennis, Co. Clare <sup>a</sup>	—	1,442	9,775	11,217	—
40 St. Francis of Assisi National School, Belmayne, Balgriffin, Dublin 13 <sup>a</sup>	—	9,058	2,816	11,874	—
41 Saplings Mullingar, Lynn Road, Mullingar, Co. Westmeath <sup>a</sup>	—	266	11,571	11,837	—
42 Citywest Educate Together National School, Fortunestown Lane, City West, Dublin 24 <sup>a</sup>	—	433	13,167	13,600	—
43 Galway North Educate Together National School, Thomas Hynes Road, Newcastle, Co. Galway <sup>a</sup>	—	514	14,559	15,073	—
44 Gairmscoil Mhuire, Athenry, Co. Galway <sup>a</sup>	—	460	21,237	21,697	—
45 Lusk Community College, Lusk, Co. Dublin <sup>a</sup>	—	5,435	8,863	14,298	—
46 Davis College, Mallow, Co. Cork <sup>a</sup>	—	1,971	8,034	10,005	—
47 Coláiste Chiaráin, Croom, Co. Limerick <sup>a</sup>	—	1,129	16,821	17,950	—
	<b>381,826</b>	<b>111,569</b>	<b>189,015</b>	<b>682,410</b>	<b>524,766</b>

	Cumulative expenditure to 31 December 2017	Expenditure in 2018	Project commitments in subsequent years	Expected total spend lifetime of project 2018	Expected total spend lifetime of project 2017
	€000	€000	€000	€000	€000
<b>Subhead D.4</b>					
1 Technological University Grangegorman	60,744	4,261	1,436	66,441	90,741
2 HEAnet upgrade	2,355	3,851	3,794	10,000	10,000
3 Dublin City University/St. Pat's F Block	3,155	3,000	8,845	15,000	15,000
4 University of Limerick Library	10,000	4,600	1,700	16,300	10,000
5 Limerick Institute of Technology – Coonagh Campus Fit out <sup>b</sup>	—	—	11,575	11,575	—
6 Dundalk Institute of Technology – North and South Building Refurbishment <sup>b</sup>	—	—	18,469	18,469	—
7 National Children's Hospital (Higher Education Facilities)	—	—	17,000	17,000	—
8 Dublin City University Future Tech Building <sup>b</sup>	—	—	24,000	24,000	—
9 Trinity College Dublin E3 <sup>b</sup>	—	—	15,000	15,000	—
	<b>76,254</b>	<b>15,712</b>	<b>101,819</b>	<b>193,785</b>	<b>125,741</b>
<b>Subtotal D.3</b>	<b>381,826</b>	<b>111,569</b>	<b>189,015</b>	<b>682,410</b>	<b>524,766</b>
<b>Subtotal D.4</b>	<b>76,254</b>	<b>15,712</b>	<b>101,819</b>	<b>193,785</b>	<b>125,741</b>
<b>Total</b>	<b>458,080</b>	<b>127,281</b>	<b>290,834</b>	<b>876,195</b>	<b>650,507</b>

Notes <sup>a</sup> Ten new schools' projects commenced during 2018.

<sup>b</sup> The Department committed to four new third level projects during 2018.

#### Significant variations-Subhead D3

An explanation is provided below where projected total expenditure increased / decreased by more than €500,000 from 2017 to 2018:

#### 6. St John's Primary School, Rathmullen

The increase in commitments of €510,000 arose from change orders related to asbestos remediation.

#### 8. Bremore Educate Together Balbriggan, Co. Dublin

The increase in commitments of €2.5 million arose mainly from additional costs €1.5 million relating to unforeseen groundworks agreed as part of a conciliation process. In addition, change orders relating to a significant number of small value items, the largest of these related to rock-breaking, provision of additional ramps, additional fire protection and revised floor finishes at a cost of €1 million were approved.

#### 10. Portlaoise Parish School, County Laois

The increase in commitments of €3.26 million arose from change orders relating to groundworks, agreed as part of a conciliation process.

**16. Michael Street National School, New Ross, Co. Wexford**

The increase in commitments of €950,000 arose from change orders related to groundworks (€670,000 excluding VAT) and additional costs relating to disputed change orders (€280,000) that were agreed as part of a conciliation process.

**19. Kinsale Community College, Co. Cork**

The increase in commitments of €660,000 arose from change orders related to heating system, drainage, steel works etc.

**20. Christian Brothers Secondary School, Thomas Street, Wexford**

The increase in commitments of €2.2 million arose from additional costs (€1.56 million) relating to project delays agreed as part of a conciliation process and change orders of (€640,000 excluding VAT) related to foundation works, roofing and the provision of temporary rental accommodation.

**32. Maynooth Post Primary Schools, Co. Kildare**

The increase in commitments of €570,000 arose from change orders related to construction costs.

**36. Stepside Educate Together National School, Co. Dublin**

The increase in commitments of €850,000 arose from change orders related to the provision of temporary accommodation during the project.

**37. Tullamore College, Tullamore, Co. Offaly**

The increase in commitments of €1.24 million arose from additional costs relating to design and construction costs agreed as part of a conciliation process.

**Significant variations-Subhead D4**

**1. Technological University Grangegorman**

The reduction in commitments of €24.3 million arose from the inclusion of the current estimate of VAT (€24.3 million) owed on the Grangegorman Quads PPP project in the overall commitment figure which is now reflected as part of the overall commitment figure relating to that project (see Note 2.8). The remaining total incorporates costs associated mainly with Programme 1 of the development (site-wide enabling works and public realm).

**4. University of Limerick Library**

The increase in commitment of €6.3 million arose from the agreement of the Department during 2018 to pay a higher proportion of the overall cost of the library than had been approved previously. The library project is part-funded by UL from its own resources.



## **Appendix C Information Note on Public Private Partnerships Projects (PPPs)**

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### **National Maritime College**

The National Maritime College of Ireland (NMCI) PPP project was completed in October 2004. NMCI was the first third level PPP to be completed and operating in Ireland. The college provides state of the art education and training facilities to service the needs of the Cork Institute of Technology and the non-military needs of the Irish Naval Service.

### **Five Pilot Schools PPP**

The five post primary schools in the Pilots School PPP bundle are located in Dunmanway and Ballincollig, Co. Cork; Tubbercurry, Co. Sligo; Clones, Co. Monaghan and Shannon, Co. Clare. The contract for the Five Pilot Schools PPP was signed with Jarvis Projects Ltd in November 2001. The operational phase of the schools commenced in January 2003.

### **Cork School of Music**

A contract for the design, build, financing and operation of the Cork School of Music was signed with Hochtief in September 2005. The Cork School of Music was completed in July 2007.

### **1st Bundle PPP Schools**

A contract for the design, build, financing and operation of the four post primary schools located in Portlaoise, Co. Laois (two schools); Banagher and Ferbane (both in Co. Offaly) was signed with Maquarie Partnerships for Ireland in March 2009. All four schools became operational in September 2010.

### **2nd Bundle PPP Schools**

A contract for the design, build, financing and operation of five post primary schools and one primary school in Burkeen, Wicklow Town, Co. Wicklow; Athboy, Co. Meath; Kildare Town, Co. Kildare; Abbeyfeale, Co. Limerick and Bantry, Co. Cork (two schools) was signed with Maquarie Partnerships for Ireland in June 2010. These schools became operational between July 2011 and October 2011.

### **3rd Bundle PPP Schools**

There are seven post primary schools and one primary school in the 3rd Bundle PPP Project. They are located in Ballinamore, Co. Leitrim; Letterkenny, Co. Donegal; Gorey, Co. Wexford; Doughiska, Co. Galway (2 schools); Doon, Co. Limerick; Tramore, Co. Waterford and Athlone, Co. Westmeath. The contract for the design, build, financing, operation and maintenance of the schools was signed with BAM PPP in November 2012. All eight schools became operational between November 2013 and May 2014.

### **4th Bundle PPP Schools**

There are four post primary schools in the 4th Bundle PPP Project. They are located in Tulla, Co. Clare; Skibbereen, Co. Cork; Dundalk, Co. Louth and Carrick-on-Suir, Co. Tipperary. The contract for the design, build, financing, operation and maintenance of four post primary schools was signed with BAM PPP in December 2014. These schools became operational between March and May 2016.

### **5th Bundle PPP Schools**

There are four post primary schools, one primary school and one further education college in the 5th Bundle PPP Project. They are located in Carlow (1 school and 1 IFE); Kells, Co. Meath; Bray Co. Wicklow (2 schools) and Wexford. The contract for the design, build, financing and maintenance of the schools was signed in July 2016 with Inspired Spaces Bundle 5 (Ireland) Ltd. Two schools in Bray and one in Wexford achieved service commencement in 2018. The school in Kells is expected to achieve service commencement in June 2019, the remaining two schools in Carlow are both at an advanced stage and are targeted to become operational for September 2019.

### **Grangegorman Quads PPP Project**

The Grangegorman PPP Project, which comprises the Central and East Quads, will deliver significant academic infrastructure for TU Dublin at Grangegorman. The contract for the design, build, financing and maintenance of the buildings was signed in March 2018. Construction is scheduled to be completed in 2020.

## Appendix D Direct funding from Vote 26 to Education and Training Boards (by subhead)

The following table lists the direct funding from Vote 26 to Education and Training Boards (ETBs) during 2018 by subhead with comparative figures for 2017.

		2018	2017
		ETB Funding amount	ETB Funding amount
		€000	€000
<b>Programme A - First, Second and Early Years Education</b>			
A.3	Salaries, wages and allowances (including incidental payments) of primary teachers	27	44
A.5	Grants to Education and Training Boards in respect of ETB teachers' salaries	692,008	640,978
A.6	Salaries, wages and allowances (including incidental payments) of special needs assistants in primary and post primary schools	36,691	32,703
A.7	Salaries, wages and allowances (including incidental payments) of non-teaching staff in primary and post primary schools (excluding special needs assistants)	75,514	72,024
A.9	School transport services	632	570
A.10	Grants (including capitation) payable to primary and post primary schools, Education and Training Boards and other educational organisations and institutions	76,039	71,983
A.11	Grants to education bodies working in the primary and post primary sectors	95	10
A.12	Teacher education	1,944	1,849
A.14	Miscellaneous grants and services	6,194	5,506
<b>Programme A Total paid to ETBs</b>		<b>889,144</b>	<b>825,667</b>
<b>Programme B – Skills Development</b>			
B.9	Regional Skills FORA	—	105
		—	<b>105</b>
<b>Programme C - Higher Education</b>			
C.11	Student support and related expenses	371,588	380,119
<b>Programme C Total paid to ETBs</b>		<b>371,588</b>	<b>380,119</b>
<b>Programme D – Capital Services</b>			
D.3	Building, equipment and furnishing of primary and post primary schools	84,328	98,631
D.5	Public Private Partnership (PPP)	136	130
<b>Programme D Total paid to ETBs</b>		<b>84,464</b>	<b>98,761</b>
<b>Grand total paid to ETBs</b>		<b>1,345,196</b>	<b>1,304,652</b>

Note This table comprises funding provided to ETBs directly from Vote subheads. It does not include funding provided via SOLAS from either Exchequer resources or the National Training Fund.