

11 Control of grant payments to schools

- 11.1** The Education Act 1998 (the Act) sets the framework for the provision of education in statutorily recognised schools. The Act applies to both primary and post-primary schools and outlines the responsibilities of the State in supporting education through policy, funding and oversight mechanisms. The main source of income for schools under the Act is in the form of grants paid by the Department of Education and Youth (the Department).
- 11.2** After salary and capital costs, grant funding is the highest cost borne by the Department, amounting to €708 million in 2024.¹ From 2015 to 2024, total grant expenditure amounted to approximately €5.5 billion. The annual value of grants increased by 70% over the same period.
- 11.3** Generally, grant payments to schools fall into two main categories
- per capita grants, linked to student enrolment numbers, which represent general funding for schools, and
 - grants earmarked for specific purposes.

Focus of this examination

- 11.4** This examination was undertaken to assess whether the Department has implemented an adequate system of control to manage and safeguard per capita grant payments to schools and to allow it to prevent and detect errors or irregularities in a timely manner. The report examines
- the systems and controls the Department has in place to safeguard per capita grant payments
 - the Department's response to cases where the over-declaration of student enrolment numbers was identified, and
 - the Department's risk management framework and key performance indicators relating to grant expenditure.
- 11.5** The examination team conducted interviews with relevant Department officials, conducted on-site fieldwork and examined documents, systems and controls. Unless otherwise stated, the grants described below relate to schools in the free education scheme.²

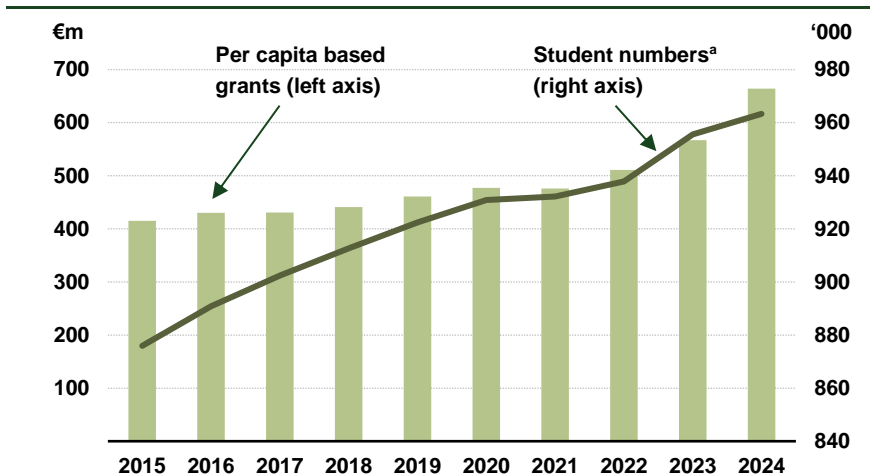
¹ Grant expenditure under subhead A.10 of Vote 26 Education, entitled 'Grants (including capitation) payable to primary and post-primary schools, education and training boards and other educational organisations and institutions'.

² While most grants are paid to schools participating in the free education scheme, some per capita based grants are also payable to certain fee-charging schools.

Grant expenditure

- 11.6 On average, grants paid on a per capita basis account for 91% of the overall grant expenditure annually. Expenditure on per capita grants and total student enrolment numbers over the last ten years are presented in Figure 11.1.

Figure 11.1 Expenditure on per capita school grants and student numbers 2015 to 2024



Source: Department of Education and Youth and Central Statistics Office. Analysis by the Office of the Comptroller and Auditor General.

Grant schemes

- 11.7 A complete listing of education grant schemes is not maintained or readily available from the Department. This examination focused on four grant schemes, representing 72% of per capita grant expenditure in 2024. These were

- **capitation grants** (2024: €251 million) for the day-to-day school running costs such as heating, lighting, cleaning, insurance and general upkeep
- **book grants** (2024: €115 million) to cover the cost of schoolbooks for primary school children and all junior cycle students at post-primary level
- **school services support fund** (SSSF) grants (2024: €64 million) to assist schools meet the costs associated with support services such as secretarial and caretaking, and
- **ICT grants** (2024: €50 million) to assist schools in their use of digital technologies for teaching, learning and assessment.

The rates for the 2023/24 academic year payable under the four selected grant schemes are set out in Annex 11A.

Financial control environment

Enrolment systems

- 11.8** The Department uses two separate core systems to capture enrolment data in primary and post-primary schools — the Primary Online Database (POD) and the Post-Primary Online Database (PPOD). These systems are managed by separate teams within the Department and serve as the central source of enrolment figures used in calculating per capita based grants.
- 11.9** Annually, schools upload their enrolment returns directly into the POD and PPOD systems. As required by the school governance manuals and Department circular 38/2014, principals/boards of management must complete a declaration in relation to the accuracy of the school's enrolment return.¹

PPSN validation

- 11.10** Both systems currently use Single Customer View (SCV) to validate Personal Public Service Numbers (PPSNs) against records held by the Department of Social Protection and the Health Service Executive.² SCV has been in use on the POD system for nine years but was only introduced to the PPOD system in August 2024.³ PPSN validation reduces the risk of duplicate or fraudulent enrolments and ensures that each student is uniquely identified in the system.

Primary Online Database identity validation

- 11.11** The requirement for a PPSN is not mandatory on the POD system, and it is possible to also register a student without the number, but with the mother's maiden name. The Department stated it has a legal basis to obtain PPSNs (under sections 162 and 266 of the Social Welfare Consolidation Act 2005). However, it also has a legal obligation under the Education Act to provide an education for anyone resident in the State.
- 11.12** Where a parent refuses consent for a child's data to be held on the system, a partial record is created on POD. Partial records are monitored separately by the POD section.
- 11.13** The total number of students on the POD system for the academic year 2024/2025 was 542,379. The Department stated that for the 2024/25 academic year the number of students on the system without a name and a PPSN was just 217 and the number of students with non-validated PPSNs was 1,665.
- 11.14** Where a student does not have a validated PPSN on the POD system, or consent for the child's data to be held on the system is withheld, the registered name and/or date of birth of the student is checked for duplication on the system by the Department's POD section.⁴ The absence of a PPSN or a non-validated PPSN are also queried by the Department's POD section with the pupil's school.

¹ The [Governance manual for primary schools 2023 – 2027](#) and the [Governance manual for community & comprehensive schools](#) are in place. For all other post-primary schools, [Circular 38/2014](#) applies.

² Single Customer View (SCV) is a government application for public bodies to verify data. The data systems run the programme in the background nightly following submission of the annual enrolment returns.

³ Pupil Validation Rules were used to check for duplicate PPSNs in PPOD prior to the introduction of SCV.

⁴ Section 4.2(d) of [Circular 25/2015](#) outlines the requirements of schools in relation to letters from parents withholding consent for student data to be held on POD.

Post-Primary Online Database

- 11.15** The PPOD also allows enrolment of students without a PPSN. The Department stated that, as of July 2025, approximately 10,000 students do not have a recorded PPSN and approximately 4,000 students have PPSNs that are not validated.¹ Based on the figures provided by the Department, this represents over 3% of the 2024/2025 student enrolments (425,411). This is a notable increase in missing data from fewer than 900 students in 2016. The Department stated that the figures will reduce over time as records are verified using SCV.
- 11.16** Since the introduction in PPOD of SCV to validate PPSNs, the PPOD section initiates additional checks or alternative processes. If PPSNs remain unvalidated, the PPOD section checks for duplication across the system by searching for another student with the same name and a validated PPSN. In these cases, other details such as mother's maiden name, date of birth and address are checked to ensure it is not a duplicate record. Where PPSN duplication is noted, schools are notified via their landing page on PPOD and are expected to resolve the issue.
- 11.17** Validation checks of other information are also performed. The POD and PPOD systems are inconsistent in how data is validated. The POD system compares a pupil's age to the expected age for the class the child is enrolled in. For example, an exception report is produced if the record indicates a junior infant is outside the age range four to six. In contrast, the PPOD system only includes one age-related rule which is that a child must be 12 or older on 1 January in the year they are enrolling in a post-primary school.
- 11.18** Enrolled students with missing or invalid PPSNs are included in calculating grant amounts payable to schools unless indicated otherwise by the school.

Limitations of system integration

- 11.19** The POD and PPOD systems operate independently and do not interface with each other. Therefore, it is not possible to automatically capture students that may be recorded on both systems. However, the Department demonstrated that a non-automated process is used to compare both systems for social inclusion purposes to calculate transfer patterns from primary school to post-primary school. An integrated system would allow students previously validated on the POD system to transfer on the PPOD system without a need for revalidation.

Exception reporting and analytical checks

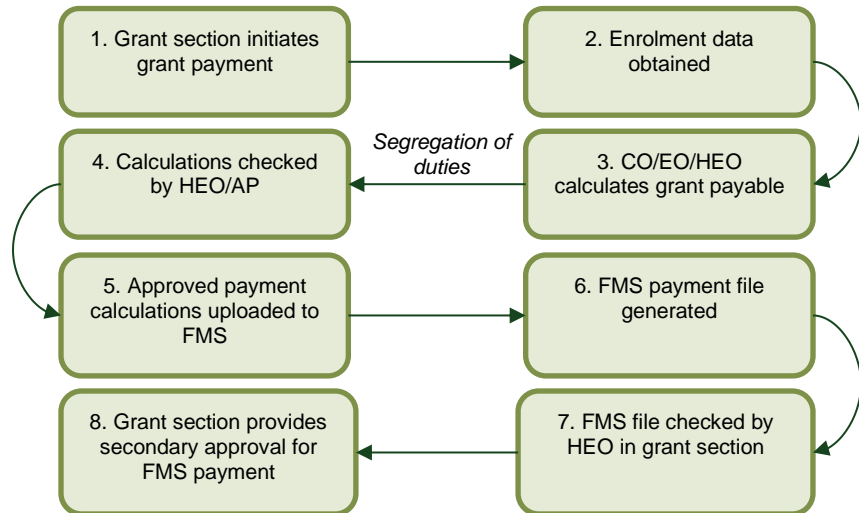
- 11.20** The Department has a significant amount of data available to it which could be used to build in exception reports to the POD and PPOD systems. Both systems have the capability to produce such reports, but the Department confirmed these reports are not produced as a matter of course.
- 11.21** Such reports could include automatic flags for schools reporting large or unusual changes in enrolment compared to prior years, or where enrolment thresholds are crossed that lead to significant additional resource allocations such as extra teacher posts or grant increases.
- 11.22** The Department stated that work is underway to introduce real-time enrolment data.

¹ The PPOD system can only generate reports at a point in time. Figures exclude new entrants for 2025.

Grant administration controls

- 11.23** The examination team observed the processing of payments of several per capita based grant schemes to understand the respective control frameworks. Some general controls were observed across all grant schemes (see Figure 11.2).

Figure 11.2 Control framework for per capita based grants (general process)



Source: Department of Education and Youth. Analysis by the Office of the Office of the Comptroller and Auditor General.

Grant payment calculations

- 11.24** The calculation procedures in place varied across sections. Some relied on manual calculations and lacked documentation of all checks reportedly carried out. Others used formula-based calculations and retained evidence of all checks. The examination team observed a good-practice approach for the payment of the junior cycle book grant of using formulas with built in calculation checks on the spreadsheet and retaining evidence of all control checks.
- 11.25** Sections administering per capita based grants apply inconsistent approaches in determining enrolment figures per school. Some use the most recently published validated figures, while others request updated enrolment numbers from the POD and PPOD teams. One section consistently applies validated enrolment numbers from the previous academic year, regardless of updates. The Department has not issued central guidance on which data should be used for per capita based grant purposes, leading to these variations in practice.
- 11.26** Control checks were not documented for three of the per capita grant schemes, where the grant expenditure totalled €238 million in 2024. The Department has noted that since January 2025, it is now standard practice to document checks.
- 11.27** In total, the examination team reviewed 12 payments. The team observed some differences between operating procedures in different sections, as outlined in Figure 11.3.

Figure 11.3 High-level differences in procedures across grant types

Grant type (number sampled)	Calculation method	Source of enrolment data used	All control checks documented
ICT infrastructure (1)	Manual calculation excel ^a	Published enrolment data ^e	✗
Junior cycle book grant (1)	Formula-based calculation excel	Email from PPOD section with prior year data	✓
Primary school book grant (1)	System generated	Email from POD section with current year data	✓
Capitation — education and training boards (2)	Formula-based calculation excel	Email from PPOD section with current year data	✓
Capitation — primary (4)	System generated ^{b,c}	Published enrolment data ^e	✗
Capitation — post-primary (2)	Formula-based calculation excel	Email from PPOD section with current year data	✗
School Support Service Fund (1)	Formula-based calculation excel ^d	Email from PPOD section with current year data	✓

Source: Department of Education and Youth. Analysis by the Office of the Comptroller and Auditor General.

- Notes:
- a The rate is calculated using formulas which are manually entered to the spreadsheet.
 - b While the system generates the grant calculation, the responsible unit in the Department (Schools Division Financial) must prepare a calculation to obtain the weighted capitation rate for the year. This is then input in the grant calculation system.
 - c A manual calculation is required in relation to 38 small schools (less than 60 students) that have special classes or children with additional needs.
 - d On review, it was noted a manual calculation was prepared in relation to a small number of schools that had less than 200 pupils.
 - e Annual published enrolment figures (sourced from POD and PPOD) are available on the Central Statistics Office ([CSO website](#) — [primary](#) and [post-primary](#)).

Oversight and compliance monitoring

11.28 The primary school governance manual for the period 2023 – 2027 outlines the importance of schools ensuring the accuracy of the enrolment returns they make to the Department. The manual also outlines how boards of management have a responsibility to immediately notify the Department of any error or irregularity identified in their enrolment returns.

11.29 The Department issues circulars and guidance to schools via email.¹ However, schools/principals are not required to acknowledge receipt or to confirm understanding of circulars. The Department stated that while there is no formal mechanism in place to monitor compliance with circular requirements, compliance is monitored through subsequent inspections of schools. In addition, the school's management body is funded to assist schools in understanding the relevance and application of circulars. The Financial Support Services Unit (FSSU) provides guidance on circulars issued where applicable.

¹ Department circulars are also available on the Government website [Department of Education and Youth](#).

- 11.30** Since 2010, the Department has confirmed 15 cases of irregularities with reported enrolment numbers. There are several units within the Department that have a role in assisting the Department in attempting to reduce the risk of inaccuracies in enrolment returns.

Schools Governance Section

- 11.31** The Department's Schools Governance Section provides guidance, information and direction to schools and education and training boards (ETBs) on governance and policy issues that impact on the day-to-day management of schools.
- 11.32** The Schools Governance Section is also responsible for investigating cases of suspected enrolment irregularities the Department becomes aware of. To date, all investigations undertaken have arisen from information provided or from disclosures made to the Department. The section does not have an audit function for school enrolments and there is no random or other regular audit programme in place to review school compliance with enrolment returns.

Financial Support Services Unit

- 11.33** The FSSU was established in 2005 to provide advice and support to post-primary schools in financial governance and standardising arrangements for compliance with accounting requirements.¹ In 2017, the Unit's remit was expanded to include primary schools.
- 11.34** The FSSU conducts audits of several schools annually. These audits primarily focus on aspects of financial compliance rather than the accuracy of enrolment data and are reactive based on disclosures or late filings. For the 2024/2025 school year, FSSU planned 46 audits, 41 of which had been completed as of May 2025. Two of the 46 audits, referred to FSSU by the Schools Governance Section, are related to potential enrolment return issues and investigations are ongoing.

Inspectorate

- 11.35** The Inspectorate is the division of the Department responsible for the evaluation of early learning and care settings, primary, special and post-primary schools, and centres for education.
- 11.36** The Inspectorate stated that it does not have a role in collecting or verifying enrolment numbers or checking attendance records. It does not review enrolment numbers as part of school inspections. The Inspectorate does have a role in checking enrolment numbers when requested to do so by relevant sections of the Department (such as School Governance) following identification of an enrolment irregularity. However, the Inspectorate has noted such requests are rare and there have been none recently.
- 11.37** The Department stated that enrolment data is available to the Inspectorate as it is included in the Inspectorate's management information system. Furthermore, some inspections require schools to complete a form that requests enrolment information. However, this information is not verified by the Inspectorate.

¹ The Financial Support Service Unit remit covers all schools except ETB schools.

Internal audit

- 11.38** The Department's Internal Audit Unit (IAU) undertakes its work in accordance with a multiannual audit plan approved annually by the Department's Audit Committee. The current audit plan covers the period 2023 to 2027 inclusive.
- 11.39** The IAU noted its plan is informed by a risk assessment process undertaken by the Unit. Notwithstanding the cases of irregularities relating to enrolment returns since 2010, IAU confirmed that, to date, it has not conducted an audit of the school enrolment returns process.
- 11.40** Since 2022, the IAU has prepared three reports relating to per capita grants
- *School capitation grants (01/2022)*
 - *Delivering Equality of Opportunity in Schools (DEIS) grant payments in Social Inclusion Unit (04/2023)*
 - *Minor works grant (06/2023).*¹
- 11.41** Common recommendations across all three reports included
- the source and date of receipt of information provided by other areas in the Department should be clearly identified on all excel calculation spreadsheets
 - standing data cells in all excel calculation spreadsheets should always be locked.
- 11.42** The Department stated that the IAU was informed by management within the relevant sections that these recommendations were implemented. However, the examination team noted the source and date of receipt of information was not clearly identified on all excel calculation spreadsheets in all cases, and standing data cells in calculation spreadsheets were not always locked. In all cases however, emails from POD and PPOD sections were retained separately by the sections administering grant schemes as the source of the enrolment data used.

Follow-up on recommendations

- 11.43** The IAU maintains a tracker of the status of its recommendations and follows up on a quarterly basis with the assigned risk owner who has responsibility for implementing the recommendation. The IAU noted that there are no outstanding recommendations relating to any of the audits undertaken on grants. As per IAU procedures, any recommendations that are outstanding for more than one year are escalated to the relevant subcommittee of the Department's Management Board.
- 11.44** While the IAU has confirmed that none of its audit recommendations are currently classified as overdue, one earlier recommendation (dating from a 2012 review) has not been implemented and is not being tracked in the current follow-up process. The recommendation advised that priority should be given to the development of a new IT-based system for the purposes of calculating school grants, given the limitations of the current IT system and the inherent risk of using excel spreadsheets for the calculating of grant payments.

¹ The minor works grant consists of a fixed annual payment of €5,500 per school, plus an amount on a per capita basis.

- 11.45** In February 2017, the IAU removed the recommendation from the tracker. The Department stated that this was with the knowledge of the Audit Committee, however this was not recorded in the February 2017 meeting minutes. The Department stated that the reason for no longer tracking the recommendation was because it was raised on numerous occasions with relevant management and remained unimplemented. The IAU highlighted the non-implementation of the recommendation in subsequent audit reports in 2017 and 2022.
- 11.46** This 2012 recommendation is consistent with the examination team's observations of inconsistent calculation processes across grant types and a lack of documented control checks in some areas.

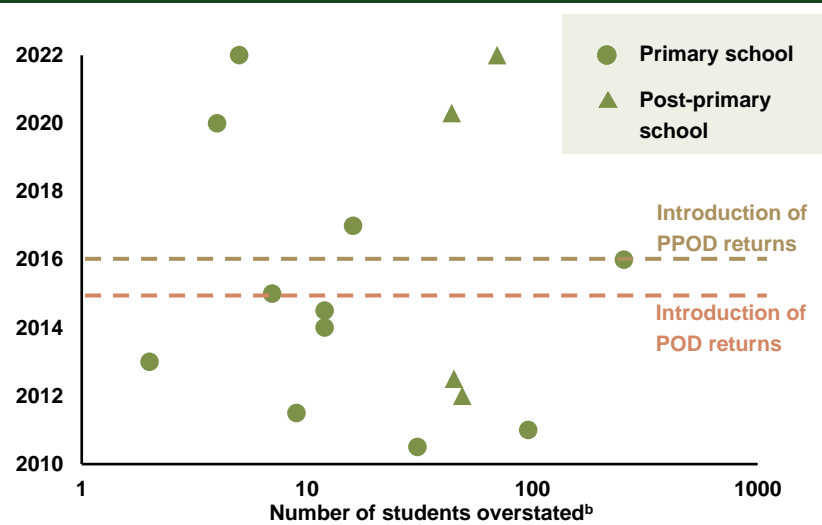
Coordination with other assurance bodies

- 11.47** The Department has not formalised coordination arrangements between its IAU and other internal assurance providers, such as the (separate) internal audit function for the ETBs, the Inspectorate, the Schools Governance Section or the FSSU. However, the IAU noted that it regularly communicates with all these functions.
- 11.48** Oversight is fragmented. However, the Department stated this is due to the complex nature and number of school governance structures, and the absence of an intermediary agency or regional structure between the Department and schools.
- 11.49** The Department stated that new internal audit standards from the Institute of Internal Auditors requires the head of the internal audit function to coordinate with internal and external providers of assurance services, and the IAU plans to formalise this coordination arrangement.

Management of enrolment recording irregularities

- 11.50** Since 2010, the Department has confirmed 15 cases of irregularities with reported enrolment numbers. The Department stated that it has taken several steps over the last ten years which should assist with reducing the risk of future enrolment irregularities. These include
- the introduction of the POD and PPOD online enrolment return systems in 2015/2016 and 2016/2017 academic years respectively, replacing paper-based enrolment returns
 - setting up the FSSU
 - informing schools via circulars that it is the Department's policy to report instances of suspected fraud to An Garda Síochána.
- 11.51** The confirmed cases relate to both the primary and post-primary sectors, with the majority in the primary sector. Four of the cases commenced after the Department introduced online enrolment return systems (see Figure 11.4).

**Figure 11.4 Confirmed cases of overstated enrolment numbers
2010 – 2022^a**



Source: Department of Education and Youth. Analysis by the Office of the Comptroller and Auditor General.

- Notes:
- The year shown in the above table represents the last academic year the irregularity occurred. Most cases spanned a number of years.
 - Axis is shown on a logarithmic scale to illustrate the distribution of overstatements, including one outlier (255) in 2016 while retaining visibility of majority of cases (<100).

11.52 A further five cases are currently under investigation relating to schools using the online enrolment return systems.

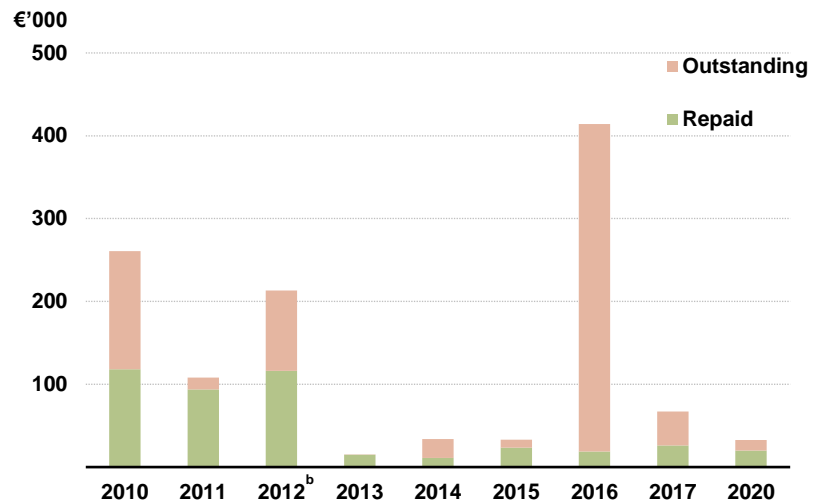
11.53 When suspected fraud is reported and substantiated, the Department has recourse to pursue the repayment of the excess grant. The Department estimates that almost €1.4 million was overpaid relating to the confirmed cases. The Department stated that it agrees the amount to be repaid with schools in a fair, reasonable and proportionate matter to ensure that schools continue to function and provide an education to students. As at the end of 2024

- two cases have been repaid (€53,000)
- three cases have no recoupment plan in place (€128,000)
- ten cases are at different stages of recovery (see Figure 11.5).

11.54 All suspected cases of enrolment irregularities are investigated by the Department. The Department stated it needs to establish, based on the evidence available to it, that there is a high probability that a fraud has occurred prior to making a referral to An Garda Síochána. The Department further stated that it is the responsibility of school boards to report irregularities to An Garda Síochána in the first instance.

11.55 The outcome of the investigations in relation to the 15 confirmed cases were

- Prosecuted — four cases
- Decision taken to prosecute — one case
- Decision taken not to prosecute — five cases
- An Garda Síochána investigation ongoing — two cases
- Department investigation only — three cases

Figure 11.5 Total overpayments and amount recovered at end of 2024^a

Source: Department of Education and Youth. Analysis by the Office of the Comptroller and Auditor General.

Note: a The year refers to the last academic year when the irregularity occurred.

b In 2012, there were two cases.

11.56 Overviews of four recent overpayment cases are detailed below.

11.57 The mechanism used to overstate enrolment numbers in the four cases was using PPSN information of students who had left the school or not yet started school. For two of the cases, international students were incorrectly included when calculating the school's entitlement. For the five cases currently under review by the Department, early indications suggest similar methods were used to inflate enrolment numbers.

11.58 The cases were identified through protected disclosures or by information provided to the Department, rather than being identified by Department controls. There does not appear to be an existing control in either POD or PPOD that would have prevented these cases.

Case 1 — 2020

In 2020, the Department received a protected disclosure concerning irregularities related to enrolment returns for a primary school. Following an investigation by the Department, the case was referred to An Garda Síochána in 2022.

Enrolment returns were overstated by four children. These additional four children qualified the school to retain an additional teaching resource. Valid PPSNs were used for children from a local childcare facility, a child who was enrolled up to 3rd class but then did not return and a child who transferred to another school. For the latter, the two schools agreed that the child transferring would not be registered with the new school to avoid duplicate PPSNs being detected. The new school had nothing to gain with the additional student whereas the school the child left would lose a teaching post.

The Department stated that An Garda Síochána informed them in June 2025 that the case was proceeding to a prosecution. The Department has calculated an overpayment of €32,618. A recoupment arrangement is in place with the school, and, by year-end 2024, a total of €19,800 has been repaid.

Case 2 — 2020

In February 2020, an investigation was commenced into concerns that a post-primary school had overstated student numbers. The concern arose after a routine meeting with the school two months prior where the school referred to the number of students attending the school which did not match the annual enrolment return submitted to the Department.

Over two academic years, a total of 44 students were incorrectly recorded on the school's enrolment returns. The PPSN numbers of students not attending the school (early school leavers) or students attending sporadically were used.¹ In addition, short-term international (visiting) students were not reflected on the system as short-term students.²

In January 2021, the case was referred to An Garda Síochána but did not proceed to prosecution. The Department calculated an overpayment of €16,796 which was fully recouped by year-end 2024.

Case 3 — 2022

In June 2021, the Department received a protected disclosure regarding enrolment irregularities in a primary school. The Department began an investigation in September 2021, and referred the case to An Garda Síochána in October 2022.

The enrolment returns for the school were overstated by five students. Valid PPSNs were used for children attending a local childcare facility, a student that left the school, a student enrolled one year earlier than had been applied for and a student that was being homeschooled.

The Garda investigation is ongoing. The Department has calculated an overpayment of €63,806. No recoupment arrangement is in place, due to financial issues notified by the school board.

Case 4 — 2022

In May 2021 an ETB received a protected disclosure related to enrolment irregularities at a post-primary school. In October 2021, an investigation commenced and the case was referred to An Garda Síochána in November 2022.

Over two academic years, 70 students were incorrectly recorded on the school's enrolment returns. The PPSN numbers of students not attending were used. In addition, short-term international (visiting) students were included in the school numbers.²

The Garda investigation is ongoing. The Department calculated an overpayment of €36,407 which was fully recouped by year-end 2024.

¹ For grant purposes, a recognised student is participating in an approved course and students attending sporadically do not meet this criterion.

² International students are recorded on the system with a pupil ID number rather than a PPSN. The school should indicate on the system that they are short-term students, so they are excluded for grant purposes.

Risk management framework

- 11.59** The Department has a set of principal corporate level risks and a series of wider risks which are registered on an eRisk register system. Risks relating to each section are the responsibility of the Principal Officer of the section.
- 11.60** In November 2022, the Institute of Public Administration (IPA) was commissioned by the Department to review the Department's risk management system, processes and practices. The report noted that a mature risk management framework looks to capture and report on risk incidents to learn from things that happened and recommended that this should be the case for the Department's risk management framework.
- 11.61** The examination team reviewed the Department's risk register for 2017, 2020 and 2024. In 2017, no reference was made to the risk associated with enrolment irregularities. In 2020 and 2024, the Department noted the following risk: dependency on receipt of timely and accurate information from schools and ETBs to ensure the correct grants/funding is provided.
- 11.62** Despite the number and nature of confirmed irregularities between 2020 and 2024, there were no recorded updates to the Department's risk register, either at corporate level or divisional level. This suggests that learnings from these cases have not been formally integrated into the Department's risk management process.
- 11.63** Internal audit reports also identified relevant control weaknesses. However, these findings do not appear to have been reflected in updates to the relevant risk registers.

Use of risk indicators and data analytics

- 11.64** The Department does not currently use available enrolment data to inform its oversight or target its monitoring activities. For example, POD and PPOD hold information on the percentage of students without validated PPSNs, which could help identify anomalies or outliers across schools.
- 11.65** Small changes in enrolment numbers can significantly affect grant allocations e.g. crossing certain pupil number thresholds may entitle schools to additional teaching posts or increased capitation. No evidence was found of the Department using predictive data, such as its own enrolment projections (based on data from the Central Statistics Office) to sense-check school returns or inform compliance work.
- 11.66** The Department has stated that while its Planning and Building Unit monitor demand for school places each September in terms of capacity planning (which uses demographic projections), this sort of analysis is very limited at predicting school-level enrolments due to free parental choice in where they enrol their children.

Performance monitoring and KPIs

- 11.67** Public bodies should have robust performance measurement and reporting frameworks in place. This potentially provides transparency on the efficient and effective delivery of key programmes and services. Relevant performance information potentially also assists organisations to assess if grant funding provided is achieving the objectives of the grant scheme.
- 11.68** The Department confirmed it does not set specific key performance indicators (KPIs) for individual grant schemes. Performance information could include measures such as the number of schools
- running a financial deficit
 - requesting annual payments from parents, and degree of dependence on such payments
 - with a digital learning plan.
- 11.69** The Department stated that, due to the governance arrangements in place (whereby boards of management are statutorily responsible for the proper use of funds), and the guidance provided through circulars, it considers this an appropriate framework for oversight. It does not view the setting of grant-specific KPIs across all schools as appropriate or practicable within the current system.

Conclusions and recommendations

- 11.70** The main source of income for schools is grants paid by the Department of Education and Youth (the Department). A complete listing of the grant schemes currently administered by the Department is not maintained and was not readily available.
- 11.71** Between 2015 and 2024, the Department paid approximately €5.5 billion in grant funding to schools. An estimated 91% of this expenditure was provided on a per capita basis, using enrolment data provided by schools. The Department's reliance on enrolment data to calculate grant funding highlights the critical need for robust controls.

Enrolment system controls and data quality

- 11.72** The Department's two enrolment recording systems — the Primary Online Database (POD) and the Post-Primary Online Database (PPOD) — are populated with student data by schools. Both systems use a cross-government application for public bodies to verify data, including to validate PPSNs against records held by the Department of Social Protection and the Health Service Executive.
- 11.73** A PPSN allows each student to be uniquely identified. However, the PPSN is not a mandatory field in either system, nor are the systems integrated. Integration would enhance the Department's control framework relating to grant payments.

- 11.74** The number of primary school pupil records without a PPSN or without a validated PPSN was very small in the 2024/25 academic year. However, the number of post-primary student records without a PPSN or without a validated PPSN has risen significantly to approximately 14,000 in the 2024/25 academic year. This represents over 3% of the student body. These gaps in the record reduce the ability of the Department to identify duplicate or fraudulent enrolments and compromises the integrity of the data used to calculate grants.
- 11.75** Enrolled students with missing or invalid PPSNs are included in calculating grant amounts payable to schools unless indicated otherwise by the school.
- 11.76** The examination found variations in how different sections of the Department calculate grants and the enrolment data used. There is no centralised guidance on which enrolment figures to use. The procedures in place between grant sections were also varied, with some sections using formula-based calculations and retaining evidence of all control checks, while others did not. All payments are calculated and maintained on spreadsheets.
- 11.77** An internal audit finding highlighting a long-standing control weakness of relying on spreadsheets to calculate grant amounts paid to schools has not been addressed.

Recommendation 11.1

The Department should prioritise the development of an integrated IT-based system for the purposes of calculating school grants.

Accounting Officer's response

Agreed.

A project is being progressed by the Department and is in the early stages of development. The establishment of a new Chief Information Officer role in 2024 is allowing the development of critical systems and solutions such as this. The project underway is focused on an IT-based system for the calculation of certain ancillary grant payments. This project will form a blueprint for the development of IT solutions for other grant payments.

It will be used as a pilot project which will be reviewed and evaluated with a view to informing a full roll-out for other grant payments.

The Department recognises the importance of developing IT-based systems for the purposes of calculating and administering school grants and intends to pursue this as a priority. In tandem with this work, the Department will standardise processes across sections responsible for grant payments to ensure that a standardised approach to enrolment data is used.

Timeline for implementation

The pilot project outlined (phase one) will be completed by the end of Q3 2026. Following review and evaluation (Q4 2026), work will commence on developing a similar system for other grant payments.

Recommendation 11.2

The Department should strengthen its controls generally around per capita based grant payments by

- developing and maintaining a central register of all grant schemes
- actively monitoring records without PPSNs in both POD and PPOD
- exploring integration of the two systems.

Accounting Officer's response

Agreed.

The Department is exploring options for the development and maintenance of a central register of grant schemes.

The Department acknowledges that while PPSNs are monitored and validation checks are carried out in PPOD, further improvement in processes is required. The Department will explore whether additional validation checks similar to POD, such as exception reports comparing age to class, are feasible for PPOD. The Department recognises the importance of having full and accurate data and will continue to encourage schools to provide PPSNs for all enrolled students.

The Department began a programme of work in late 2024 to harness the data and the capabilities of both the POD and PPOD platforms to assist with the tracking of students through their complete educational journey, both in primary and post-primary school. The purpose of this programme of work, called the LearnerPath programme, is to provide information and insights to assist with policy formulation for the Department and, where appropriate, with wider government.

LearnerPath will adopt an incremental and flexible 'connect, not replace' approach by using an Application Programming Interface (API) driven model to link existing education data systems. This means that key datasets, in POD and PPOD, will remain in place but will be connected through secure interfaces to create a more complete view of each learner's journey.

The Department will examine how additional reports and processes could make better use of the data currently available. The Department will strengthen validation processes, including use of exception reporting and better use of outputs from statistical reports.

Timeline for implementation

The central register of grant schemes will be in place at the end of Q1 2026. Full completion of LearnerPath in 2028.

Oversight and compliance monitoring

- 11.78** While the Department issues circulars to schools via email, schools are not required to acknowledge receipt or understanding of these circulars.
- 11.79** Oversight by the Department is fragmented. The Inspectorate does not routinely validate enrolment numbers during school visits, and the Schools Governance Section does not conduct on site reviews. The FSSU audits aspects of school accounts, but only a limited number of audits target enrolment-related risks, and these are reactive, triggered by disclosures or late filings.
- 11.80** Data available to the Department, such as PPSN validation rates, are not currently used to inform oversight or selection of schools for audit. As a result, potential errors and irregularities can go undetected.

Recommendation 11.3

The Department should strengthen oversight by

- clarifying internal roles for monitoring enrolment-related compliance
- using enrolment data risk indicators (e.g. invalid PPSN rates) to prioritise audit or review activity
- enhancing coordination between the relevant sections of the Department to improve system-wide assurance.

Accounting Officer's response

Agreed.

The Department is putting in place a working group to review how to achieve this recommendation.

The working group will oversee the standardisation of processes across sections and improved training, with a view to achieving enhanced coordination to improve system wide assurance.

Timeline for implementation

The working group will be established in Q4 2025 with initial output by Q2 2026.

Response to irregularities and risk management

- 11.81** Since 2010, the Department investigated 15 confirmed cases of enrolment fraud, with five further cases currently under review. The Department has reported 12 of the cases to An Garda Síochána.
- 11.82** The cases identified were not detected through the Department's internal controls. This reliance on external sources to identify overpayments suggests a gap in operating controls and preventative oversight.

Recommendation 11.4

The Department should review its current control framework for the payment of grants on a per capita basis to identify improvements and additional controls that are needed for example matching enrolment data with attendance records or obtaining evidence when PPSNs are not available for students.

Accounting Officer's response

Agreed.

The scope of the working group being set up will include assessing what additional controls and improvements can be made to reduce the risk of fraud with per capita grant payments.

Timeline for implementation

The Working Group will be established in Q4 2025 with initial output by Q2, 2026.

- 11.83** Despite the recurrence and materiality of these incidents, the Department's risk registers have not been updated to reflect the associated risks. An IPA review of the Department's risk management framework noted that a mature system should capture and learn from such incidents which is not the case for the Department's risk management framework.

Recommendation 11.5

The Department should strengthen its risk management practices relating to the risk of enrolment fraud by

- ensuring confirmed fraud cases and internal audit findings are systematically reviewed and used to inform risk ratings and mitigation plans
- updating its risks registers to reflect enrolment-related risks.

Accounting Officer's response

Agreed.

The Department created a post of Chief Risk Officer (CRO) in 2024 to strengthen risk management practices across the Department. The CRO is leading on the implementation of the recommendations from the IPA review.

The current risk management system in place across the Department includes, for example, an e-risk register that must be maintained by all units and updated regularly, six-weekly meetings of the Management Board's Risk Committee to oversee compliance with the Department's risk management policy and to update this policy as required, and quarterly risk management reports to the Management Board. To augment this further, a risk incident or materialised risk reporting process is being developed. This will further raise awareness of risks and allow the Management Board to better assess the mitigations in place.

Updated and focussed training on risk management for all staff is also being progressed. As part of this training, all managers, risk owners and business units will be reminded to take account of internal audit findings

and confirmed fraud cases to inform risks, risk ratings and mitigation plans.

The Risk Management Unit will work with appropriate risk owners to ensure that they update risk registers to reflect enrolment-related risks.

Timeline for implementation

Q1 2026.

Annex 11A Per capita grant rates for 2023/24 academic year^a

	School/grant type ^b	Standard rate per student	Lump sum per school
Capitation^c	Primary school	€200 ^d	—
	Voluntary post-primary school	€345	—
	Education and training board (ETB) post-primary school	€305	—
	Community and comprehensive post-primary school	€303.74	—
Books	Primary school book grant	€80	—
	Junior cycle book grant	€309	—
	Administrative support grant ^e	€178.37 ^f	—
ICT infrastructure	Primary school	€39.73 ^g	€2,000
	DEIS primary school	€43.70	€2,000
	Post-primary school	€47.68	€2,000
	Fee-paying school	€23.84	€1,000
	DEIS post-primary school	€52.44	€2,000
SSSF	Voluntary secondary schools ^h	€224.50	—

Source: Department of Education and Youth. Analysis by the Office of the Comptroller and Auditor General.

- Notes:
- a The majority of payments in the 2024 financial year (e.g. capitation payments typically made in January and June) are based on prior-year academic rates, as schools operate on a September – August financial year. For this reason, 2023/24 rates are applied as 2024/25 rates are not currently yet applicable.
 - b All grants are paid annually apart from the ICT grant, which is dependent on funding being available.
 - c Increased capitation rates can apply for various reasons, for example, where students have learning or physical disabilities or additional needs.
 - d Schools with less than 60 students receive payment based on having 60 students.
 - e Administrative support grants can be used to employ a person/persons to work for a specified number of days (depending on the size of the school) to conduct administrative work on the book grant scheme.
 - f The administrative support grant rate is per day not per student. This daily rate sanctioned by the Department includes holiday pay and employer's PRSI.
 - g Higher grant rates are available for students with special needs.
 - h Schools with less than 200 pupils are paid the grant based on having 200 pupils.