



Minister Hildegard Naughton
Department of Education and Youth,
Marlborough Street,
Dublin 1.

September 2026

Dear Minister Naughton,

We are writing as a group of organisations representing primary and special school management and staff to request that Budget 2027 provide a further increase of at least €50 in the basic capitation rate, bringing it from €274 to at least €324 per pupil, so that schools can meet essential day-to-day running costs.

The organisations signing this letter are united in the view that the ultimate solution to the funding of primary education is parity with second level. Primary schools are asked to deliver the same standard of education and to meet many of the same day-to-day costs, on a fraction of the per-pupil funding available at second level and we will continue to make the case for equalisation over time in every engagement with you and your Department. We accept that parity cannot be achieved in a single budget. An increase of at least €50 in the basic capitation rate would be a substantial and welcome step in that direction and it is in this spirit that we make the request set out below.

All of our organisations greatly welcomed the increase in the underlying capitation rate secured by you and your officials for this school year. This achievement represents a significant step in putting primary school finances on a sound footing. While it has not fully solved the problem, it has brought us within sight of a solution for the first time ever.

We know that you understand how important it is that schools are adequately funded to meet their day-to-day running costs and we welcome that this is a commitment in the programme for Government.

Unfortunately, school costs continue to rise sharply and despite the increase in capitation, most primary schools have returned again this school year, to an increasingly challenging situation, as they try to budget for energy, insurance, materials, ICT, staff training, cleaning, maintenance, water and other costs that have risen sharply in recent years.

Economic consultants Verecon conducted a detailed analysis of school accounts across a sample of 1,521 schools, almost half of the primary schools in the country. In comparing accounts from the 2018/19 school year with accounts from the 2024/25 school year, using FSSU financial data, they found as follows:

- **It has never been more expensive to run a primary school.**

The Primary School Costs Index shows that the overall cost of running a primary school has risen 44% since 2009/10, and hit an all-time high in June 2026.

- **71% of primary schools ran a deficit in 2024/25.**

The average primary school ran a deficit of €8,288 on capitation-related income and expenditure that year.

- **40% of schools are forced to rely on voluntary contributions from parents to make ends meet.**

That share is essentially unchanged since 2018/19, while schools' own fundraising rose 14.1% in 2024/25 alone, as schools scrambled to plug the funding gap.

- **Heating costs have increased by 70.8% and water and refuse costs by 72.3%.**

Over the same period cleaning costs have increased by 55.7% and insurance costs by 29.3%, while the cost of the school management information systems, now essential to running a school, has increased by 202.1%.

It is important to note that recent and proposed increases in utility bills have a much greater impact on schools than on typical households, as they now make up 14% of a typical school's spending, which is twice the 7% share a typical household spends on utilities.

We know that you are aware of the challenges facing schools and most of us have already communicated these challenges to you and your officials in meetings and in our pre-budget submissions. But the ongoing reality that we are seeing from schools and families has caused us to reiterate our serious concerns.

That is why our organisations have come together to outline the urgent need for an immediate increase of at least €50 in the basic capitation rate, from €274 to a minimum of €324 per pupil, to address the funding challenges facing schools.

We would also ask that capitation and the ancillary services grant be linked to inflation on an ongoing basis. Had the grants kept pace with costs over the past decade, the deficits set out above would not have opened up to the extent that they have and schools would not be dependent on parental contributions and fundraising to meet their basic running costs. Indexation would protect the value of the increases you have secured for schools and prevent the same gap from reappearing in the years ahead.

We urgently request that you and your cabinet colleagues provide in Budget 2027 for a further increase of at least €50 in the basic capitation rate, bringing it to a minimum of €324 per pupil, so that all children can experience a quality primary education.

Yours sincerely,

Caoimhín Ó hEaghra, An Foras Pátrúnachta

Ken Fennelly, Church of Ireland Board of Education

Seamus Mulconry, CPSMA

Emer Nowlan, Educate Together

James Eustace, ETBI

Andy Pike, Forsa

Pairic Clerkin, IPPN

Asiya Altawash, Muslim Primary Board of Education

Patricia Harrington, NABMSE