

Information Note regarding main features of 2011 Estimates for Education and Skills Vote

OVERALL ALLOCATION

- The gross overall Voted allocation for the Department for 2011 will be €8.855 billion. This compares to an allocation for 2010 of €9.002 billion¹, representing a reduction of 2%. In addition the Estimate includes provision for expenditure of some €62 million under the National Training Fund in 2011, which is a reduction of 14% over the allocation for 2010, due mainly to a projected significant reduction in fund income in 2011.

CURRENT EXPENDITURE

- A provision for current expenditure of €8.364 billion has been made for 2011. This is an increase of just under 1% on the equivalent 2010 allocation of €8.295 billion. A further €62 million of current expenditure is provided for under the National Training Fund. The 2011 allocation takes account of upward expenditure pressures mainly in relation to student support payments, the cost of pensions and demographic increases. It also takes account of savings of some €175 million to be secured across the education sector. More details regarding current expenditure are provided below.

School Transport

- The 2011 estimate for school transport services is €180 million compared to an allocation for 2010 of €186 million. €4.5 million in savings will be secured in 2011 (rising to €17 million in 2014), through a combination of increases in charges and the implementation of measures identified in a value for money review of the school transport scheme. With effect from the 2011/2012 school year a transport fee of €50 per annum will be introduced for primary school pupils, with a maximum family charge of €10 applying. This charge is being introduced to ensure that school transport provided for eligible primary pupils is fully utilised. The annual charge for post-primary pupils will be increased by €50 from €300 to €350. The combined maximum overall family charge will remain at €650.
- Changes in the 2011/2012 school year arising from the value for money review will include:
 - The distance criteria will be applied to all pupils attending primary schools and the exemption under the closed school rule will cease. This means that children who reside less than 3.2 kilometres (2 miles) from the school of attendance and who are availing of free transport to that school under the closed school rule will lose their transport eligibility;
 - Services under the minimum numbers, either single services or which are part of double tripping arrangements, will be discontinued. A pick up density of pupils in a distinct locality on a particular route – increasing from the current minimum of 7 to 10 eligible children – will be required to establish or retain services.
- Further changes from the review, which will take effect from a later date, will include

¹ The 2011 estimate for the Education and Skills Vote published today includes provision for FAS training and integration supports, Subheads G1 to G7, which were transferred to this Department from the Department of Enterprise, Trade and Innovation with effect from 1 May 2010. The estimate also shows the equivalent funding provision for these subheads for all of 2010.

the following:

- From the 2012/13 school year, eligibility based on the closed school rule (CSR) and the central school rule will cease for all new children entering primary schools. Existing primary pupils availing of transport under the CSR will retain transport eligibility for the duration of their schooling, provided the requisite distance is met;
- From the 2012/13 school year, the use of the catchment boundary system will cease for all new post-primary children. Eligibility for all new children entering post-primary transport will be on the basis of the nearest post-primary centre or school. Existing arrangements will remain in place for existing post primary pupils for the duration of their schooling;
- New arrangements will be put in place with Bus Éireann on a phased basis for the operation of the scheme. These will include arrangements for an increasing proportion of routes to be provided by private operators. From the 2012/13 school year, Bus Éireann will have full responsibility for the operation of the school transport system including responsibility for processing all applications for school transport or grants. Synergies between school transport, rural transport and Health Service Executive services will be further developed.

Schools

- €22 million in savings will be secured in 2011 through an average 5% reduction in funding grants to schools and Vocational Educational Committees (including mainstream and ancillary grants for schools), and including grants for Adult Literacy, Community Education, School Completion Programme, Youthreach. This will reduce capitation rates to those that applied to schools between 2007 and 2008. (There will also be a similar reduction in capitation rates payable in respect of Senior Traveller Training Centres, VTOS (Vocational Training Opportunities Scheme) and PLC (Post-Leaving Certificate) students). Details of the revised rates for each grant category will be issued to schools and VECs shortly. Reduced rates will also apply to ancillary and support services grants to reflect the reduction in pay that will apply to personnel who are paid from these grants, and who have not yet had the reduction applied to them, with effect from January 2011, e.g. school cleaners and caretakers.
- The 2011 allocation for teacher salaries of almost €3.85 billion takes account of €24 million in savings (rising to €98 million in 2014) to be achieved by reducing teacher numbers through a combination of measures. These measures will lead to a deferral of 150 extra posts and to a reduction of up to approximately 1,200 posts from September 2011 (approximately 700 primary and 500 post-primary posts) which, however, will be partly offset by the addition of an estimated 875 new posts due to demographics. The measures to reduce teacher posts include:
 - Deferral of the provision of 150 extra teachers originally planned to be allocated at primary and post-primary level in September 2011;
 - Changing the existing favourable pupil-teacher ratio (PTR) to the standard PTR for the Leaving Certificate Vocational Programme (LCVP). Currently, the allocation of teachers to the LCVP is on the basis of 1 teacher for every 17 pupils. This will be changed from September 2011 to the standard allocation basis of 1 teacher for every 19 pupils (or 1 teacher for every 20 pupils in the case of fee-charging schools). This measure will secure savings of approximately 200 posts;

- Standardising the staffing schedule for Gaelscoileanna to the same that operates for other ordinary national schools, the estimated yield from which will be some 50 posts;
 - Withdrawal of Resource Teachers for Travellers posts at primary level so that educational teaching supports to Traveller students will now be provided on the same basis as other students in schools. Alleviation measures will be put in place for schools with a high concentration of Traveller children. At post-primary level teaching hours for Travellers will be withdrawn, again with alleviation measures for schools with high concentrations of Traveller children. This measure will secure savings of approximately 600 posts net.
 - A phased reduction of 500 over four years in the number of Language Support Teachers, through a demand driven reduction and, if necessary, a change in allocation rules over the period of the plan. A first year reduction of some 125 posts is targeted with effect from September 2011;
 - The redeployment of some 170 existing supernumerary posts in post-primary schools from September 2011;
 - The removal of 47 primary rural co-ordinator teaching posts currently allocated to DEIS rural primary schools. All of these schools, however, will continue to receive other DEIS supports including financial support, professional development supports, school meals and school books supports;
 - The withdrawal from September 2011 of 42 Visiting Teachers for Travellers posts, currently assigned to the National Educational Welfare Board (NEWB). The School Support services, including the School Completion Programme and the Home School Liaison Service under the NEWB, will be adapted to undertake work with Travellers in the future.
- In line with the Traveller Education Strategy and the 2008 value for money review of Youthreach and Senior Traveller Training Centres (STTCs), integrated further education provision for Travellers will be implemented through the phasing out of STTCs by June 2012 and replacement places, prioritised for Travellers, being provided under the Back to Education Initiative (BTEI). This means there will be no new enrolments in STTCs from 1 January 2011.
 - €10 million in savings will be secured from rule changes and efficiencies in relation to supervision and substitution arrangements in schools. This will include implementation of the flexibility measures provided for under the Croke Park Agreement whereby post-primary teachers will be available for an extra class period each week to cover for absent colleagues. There will also be a general tightening of the rules covering substitution.

Special Needs Assistants

- The 2011 allocation for pay for Special Needs Assistants (SNAs) will be approximately €350 million, compared to an allocation of €335 for 2010. The allocation provides for the full-year costs of SNAs appointed in 2010. While there will be no reduction in the SNA numbers in 2011 it is intended to place a cap on these numbers. The Department will in this regard work with the National Council for Special Education to develop a new system to manage SNA provision within the total numbers allocation. All schools will be advised of the new system.

Further and Higher Education

- The 2011 provision for Universities, Institutes of Technology and other higher education institutions is €1.113 billion, which represents a gross reduction of 7% on the allocation for 2010. Net of adjustments for increased income in respect of the Student Contribution Charge of €2,000, the overall 2011 reduction is 2.2% (5%, or €4 million, in the non-pay grants payable to these bodies and a 1.5% pay cost reduction).
- Further savings of €27 million will be achieved by replacing the existing €1,500 per year Student Services Charge with a flat higher education Student Contribution of €2,000 with effect from the 2011/2012 academic year. The Student Contribution will apply to all students who currently benefit under the 'free fees' scheme. Higher education institutions will be asked to consider how they could put in place arrangements under which a student may opt to pay the charge in two equal instalments of 50% in September and 50% in January in a given academic year. The contribution will be paid by the Exchequer in respect of students who qualify under the third level grant schemes. These students, who account for some 43% of all undergraduates, will not be impacted by any increase in charges. The Government is also aware of the particular financial pressures that this charge may place on families where family income is marginally in excess of current eligibility levels for maintenance grant support and on families with more than one sibling in higher education at the same time. With this in mind, the current higher education grants schemes threshold will be increased to provide for an additional eligibility category of support qualifying for '50% Student Contribution' (see detail in Appendix). In addition, arrangements will be made to provide that second and subsequent siblings from a single family will not have to bear the full increased cost of the new €2,000 charge.
- The introduction of a new €200 annual contribution for Post Leaving Certificate students will secure savings of €4 million in 2011. The cost of the charge will be met by the Exchequer on behalf of those students who are eligible under the maintenance grant scheme for students attending PLC courses. Eligible students may include those in receipt of the Back to Education Allowance provided that they meet all of the terms and conditions of the relevant student grant scheme.
- Provision of further education opportunities in 2011 will be largely the same as that in 2010, with over 173,000 participants benefiting from VEC interventions.

Student Support

- The 2011 allocation for student support payments is just over €385 million. This represents an increase of some 5%, or €18 million, over the 2010 provision and reflects both increased numbers of students qualifying for grants and a greater proportion of students qualifying for higher rates of grants, which are means tested.
- The current higher education grants schemes threshold will be increased to provide for an additional eligibility category of support qualifying for '50% Student Contribution' (see Appendix).
- The 2011 allocation also takes account of savings of some €2 million (rising to some €1 million in 2014), to be achieved through implementing a range of savings measures in the student support scheme. These measures include:

- A 4% reduction in the rate of student support grants, reflecting the reductions in rates of social protection payments announced in the Budget. This will yield savings of €8 million;
- Changing the qualifying distance criterion for entitlement to the higher non-adjacent rate of grant (distance from home to the higher education institution) from 15 miles (24 kilometres) to 28 miles (45 kilometres). The original distance criterion was set in 1968, before the significant improvement in transport facilities and road networks which has taken place. This measure will yield €10 million of savings in 2011 (€30 million in 2014);
- Savings of €4 million (€13 million in 2014) will be secured by reducing the automatic eligibility of mature students to the higher non-adjacent rate of payment, thereby bringing the arrangements for mature students into line with all other students.

Skills and Training

- Savings of approximately €10 million will be achieved in the area of training allowances and supports. This includes a reduction, consistent with reductions in social protection rates announced in the Budget, of €8 per week in all weekly training allowances and similar support payments. The long-term unemployment bonus paid to VTOS (Vocational Training Opportunities Scheme) students and to FÁS trainees will be reduced from €1.80 per week to €20 per week.
- The allocation for Skills and Training includes provision for a number of measures to strengthen the framework of labour market activation supports for the unemployed, as part of the National Recovery Plan. These will include the introduction in 2011 of a Skills Development and Internship Programme and an expansion of the number of placements available on the Work Placement Programme. While provision for training and activation for the unemployed will have to have regard to the reduced availability of funding, the above measures will seek to enhance the quality of offering for unemployed persons. All further education programmes will also continue to be open to the unemployed and unemployed people undertaking these programmes may be eligible to participate in the Back to Education Allowance Scheme. The Labour Market Activation Fund will be targeted at specific priority groups among the unemployed, including the low skilled and those formerly employed in declining sectors, with particular emphasis on the under 35s and the long-term unemployed.
- In Budget 2011 the allocation to FÁS for training the unemployed has been decreased by €43 million or approximately 15%. This will result in an equivalent reduction of 15,410 training places that FÁS can deliver for the unemployed next year. This will imply that FÁS will deliver approximately 100,000 training places next year as opposed to the 115,000 they are delivering this year.

Other current expenditure items

- The reduced 2011 allocation of just over €18 million for the National Educational Psychological Service (NEPS) takes account of €3 million in savings to be secured through capping at 178 the number of psychologists in the service;
- A saving of €1 million in 2011, rising to €2 million in 2014, will be achieved through the impact of a 10% reduction in salary scales for new entrants to the public service, with all new entrants starting on the minimum point of the new scale.

- €6 million in savings (€39 million in 2014) will be achieved through further reductions in public service numbers on the Education and Skills Vote, including in the Non-Commercial State Agencies under the aegis of the Department. These reductions are on foot of the updated Employment Control Framework in the National Recovery Plan, to control public sector numbers.
- A further €8 million in savings will be achieved through a range of non-pay administrative savings, the management of emerging expenditure pressures and other estimating savings.
- The 2011 allocation of €78 million for the Administrative Budget subheads A1 to A8 includes an additional €1.6 million in staff costs as a result of the transfer of functions in May 2010. When account is taken of this the 2011 allocation for these subheads represents a reduction of 2% on the comparable allocation for 2010.
- The 2011 allocations to a number of bodies under the aegis of the Department reflect reductions in payroll and other administrative savings.

CAPITAL EXPENDITURE

- The capital allocation for 2011 will be €91 million. The figure reflects the overall medium-term reduction in capital investment announced in the National Recovery Plan.
- The capital expenditure envelope for education of almost €1.9 billion over the period of the plan will provide for meeting demographic needs in primary and post-primary schools and for some improvement in the stock of school buildings. The allocation will also provide for some prioritised investment in third-level infrastructure.
- The capital allocation for 2011 for Schools Information and Communications Technology of €1.5 million is significantly lower than the 2010 allocation of €3 million, which includes an allocation of €20 million recently provided by way of Supplementary Estimate. This reflects the very significant capital investment in Schools ICT in 2009 and 2010 as part of the ‘smart schools’ programme. The focus in 2011 will be on leveraging this significant investment to ensure further integration of ICT into teaching and learning.

ENDS

APPENDIX

HIGHER EDUCATION GRANTS SCHEME 2010

Reckonable income limits for the period 1 January 2009 to 31 December 2009 (the tax year 2009):

| To qualify for: ► | - Special Rate* - 100% Maintenance - 100% Tuition Fees** - Student Service Charge | - 100% Maintenance - 100% Tuition Fees** - Student Service Charge | - 75% Maintenance - 100% Tuition Fees** - Student Service Charge | - 50% Maintenance - 100% Tuition Fees** - Student Service Charge | - 25% Maintenance - 100% Tuition Fees** - Student Service Charge | - 50% Tuition Fees** - Student Service Charge |
|---------------------------------|--|---|--|--|--|--|
| Number of dependent children: ▼ | | | | | | |
| Less than 4 | €2,703 | €1,110 | €2,235 | €4,720 | €7,205 | €1,380 |
| 4-7 | €2,703 | €5,165 | €6,415 | €9,145 | €1,880 | €6,460 |
| 8 or more | €2,703 | €9,045 | €0,400 | €3,360 | €6,320 | €1,295 |

* Must be in receipt of eligible social welfare payment to qualify for the Special Rate.

** Where fees are applicable, eg. postgraduate courses.

PROPOSED REVISED RECKONABLE INCOME LIMITS FOR HIGHER EDUCATION GRANTS SCHEME 2011

including additional category of eligibility

‘Student Service Charge’ replaced by ‘Student Contribution’.

Reckonable income limits for the period 1 January 2010 to 31 December 2010 (the tax year 2010):

| To qualify for: ► | - Special Rate* - 100% Maintenance - 100% Tuition Fees** - 100% Student Contribution | - 100% Maintenance - 100% Tuition Fees** - 100% Student Contribution | - 75% Maintenance - 100% Tuition Fees** - 100% Student Contribution | - 50% Maintenance - 100% Tuition Fees** - 100% Student Contribution | - 25% Maintenance - 100% Tuition Fees** - 100% Student Contribution | - 50% Tuition Fees** - 100% Student Contribution | - 50% Student Contribution |
|---------------------------------|---|--|---|---|---|---|----------------------------|
| Number of dependent children: ▼ | | | | | | | |
| Less than 4 | €2,703 | €1,110 | €2,235 | €4,720 | €7,205 | €1,380 | €5,920 |
| 4-7 | €2,703 | €5,165 | €6,415 | €9,145 | €1,880 | €6,460 | €6,440 |
| 8 or more | €2,703 | €9,045 | €0,400 | €3,360 | €6,320 | €1,295 | €6,700 |

* Must be in receipt of eligible social welfare payment to qualify for the Special Rate.

** Where fees are applicable, eg. postgraduate courses.