



**An Roinn Oideachais
agus Scileanna**
Department of
Education and Skills

MAIN FEATURES OF BUDGET 2020: EDUCATION AND SKILLS

Information Note

Department of Education and Skills

9 October 2019

Budget 2020 in numbers

€11.1 Billion	2020 Budget of the Department of Education and Skills – the largest in its history
71,473	Teachers in the education system – an increase of 581 posts on 2019 and the highest ever number
17,000	SNAs in the education system in 2020, an increase of over 1,000 on 2019
1,300	Number of new special class places which will be provided in 2020
3,000	Number of new higher education places in key skills areas to be supported by the Human Capital Initiative
20,000	Expected apprenticeship population at end-2020 – double the number in 2016, supported by the reformed NTF
8,000	Forecast number of participants supported to upskill through the ETB Skills to Advance programme by end-2020 – supported by the reformed NTF
69,000	Expected number of participants in Skillnet Ireland programmes in 2020 – supported by the reformed NTF
30,000	The number of school places which will be provided by c. 60 school projects going to construction in 2020

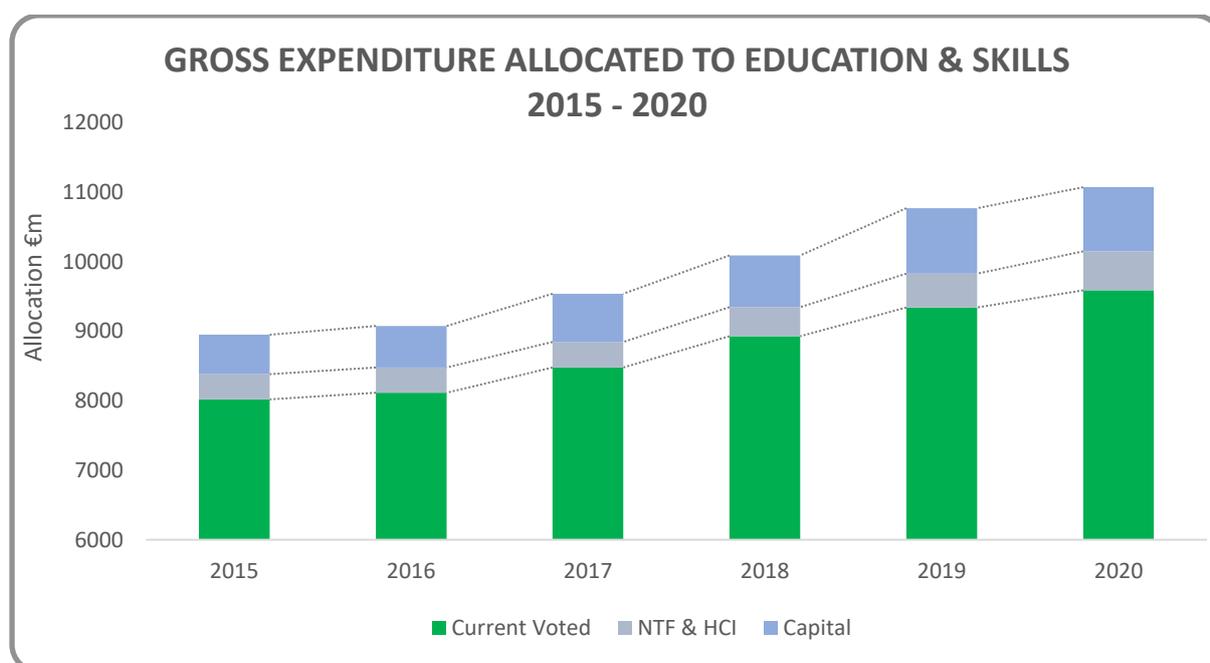
Budgetary overview

Department of Education and Skills Gross Allocation – Budget 2020	
Gross current expenditure (Exchequer)	€9,586 million
Gross capital expenditure	€922 million
National Training Fund (excluding HCI)	€560 million
Human Capital Initiative (HCI)	€60 million
Total overall gross allocation (base)	€11,128 million
Additional paydays (one-off in 2020)	+ €57 million giving an overall figure of €11,185m

Investment in a progressive and equitable education and training system

Budget 2020 aims to continue delivering on the ambition set out in Cumasú, the Department's Statement of Strategy, of a progressive and equitable education and training system that has the power to transform lives - the transformation begins with the individual, and moves outward: to family, to community and to society.

The 2020 gross expenditure allocation for the Department of Education and Skills will be over €11.1 billion¹, €361 million (3.4%) above the Department's 2019 allocation in the Revised Estimates Volume. Around **€2 billion extra** will be allocated to education in 2020 compared to 2015 (chart below).

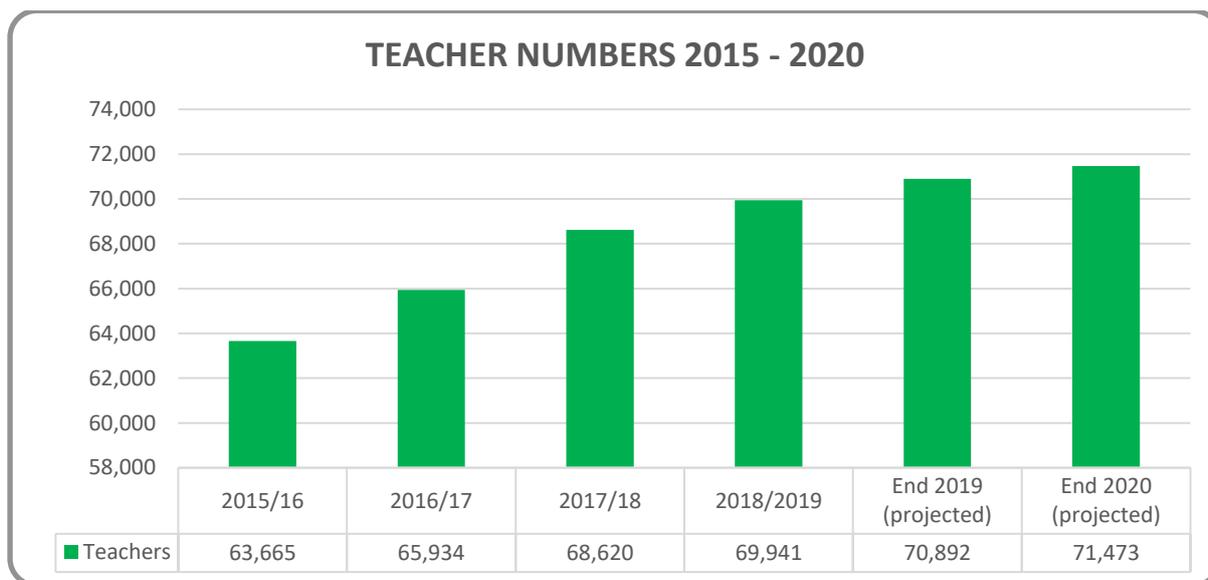


¹ The excludes additional one-off expenditure provided for extra paydays in 2020

Schools & Special Education

Teacher numbers & demographics

The total number of teaching posts will rise by 581 by the end of 2020. Of these posts, 153 will derive from forecast demographics, as set out in the Department of Public Expenditure and Reform Spending Review on pay drivers in primary and post primary schools². The total student population in primary and post-primary education will be on the order of 937,000 students.



Staffing schedules in small schools

As part of continuing measures to sustain and strengthen small schools, including in the context of the consultation symposium on small schools held by the Department in June, the staffing schedule in small schools will be improved by one point (1 to 4 teacher schools) from September 2020 (estimated at 20 teaching posts).

School funding

Schools capitation for all schools will increase by a further 2.5% from September 2020. Enhanced capitation rates will increase by 7.5% from September 2020. €1 million additional funding will be provided for school books in primary schools, with further details to be announced in due course. Progress towards equalisation of the gap in funding in the different post-primary sectors will be made by reducing the school salary grant deduction by 20%. Support will be also provided to community and comprehensive and ETB schools to recruit secretaries and caretakers as follows:

- **Caretakers:** school with enrolments of 700 or more will be permitted to fill caretaker vacancies provided they have fewer than 2 Caretakers.

² <https://assets.gov.ie/7300/8864a9009a5549fc9c9a4a7d3515678a.pdf>

- **Secretaries:** school with enrolments of 500 - 625 will be permitted to fill secretary vacancies provided they have fewer than 1.5 and schools with enrolments of 626 – 699 will be permitted to fill vacancies provided they have fewer than 2 posts filled.

School leadership

School leadership will be supported in 1,760 schools with an additional release day being provided for teaching principals as set out below.

Teaching Principal release days		
Size of School	Current release days	From September 2020
Principal + 5 / 6	30	31
Principal + 3 / 4	24	25
Principal + 0 / 1 / 2	18	19

Gaeltacht placement funding for student teachers at primary level

Funding for Gaeltacht placements will be reinstated for student teachers in State-funded primary initial teacher education.

Special education

Special education continues to be a priority for investment, and in 2020 around one-fifth of the Department's entire current budget will be allocated to special needs provision.

1,064 additional SNAs will be allocated, bringing the total numbers to over 17,000 in 2020. This will support the roll out of the new School Inclusion model, including a new allocation methodology for mainstream schools in the 2020/21 school year, which will ensure students with additional needs get the right supports at the right time, as well as supporting the new special class places.

408 special education teacher posts will be provided for:

- **Special education provision in new and developing schools**
- **Special schools**
- **1,300 new special class places**

State examinations

An increased allocation will be provided for the State Examinations Commission, which will provide funding for the measures introduced by the Commission to speed up the processing of Leaving Certificate appeals, including the marking of examination scripts online. The allocation will also assist in meeting the costs of new measures introduced in respect of Leaving Certificate candidates who suffer a bereavement around the time of the examinations.

Higher and Further Education and Training

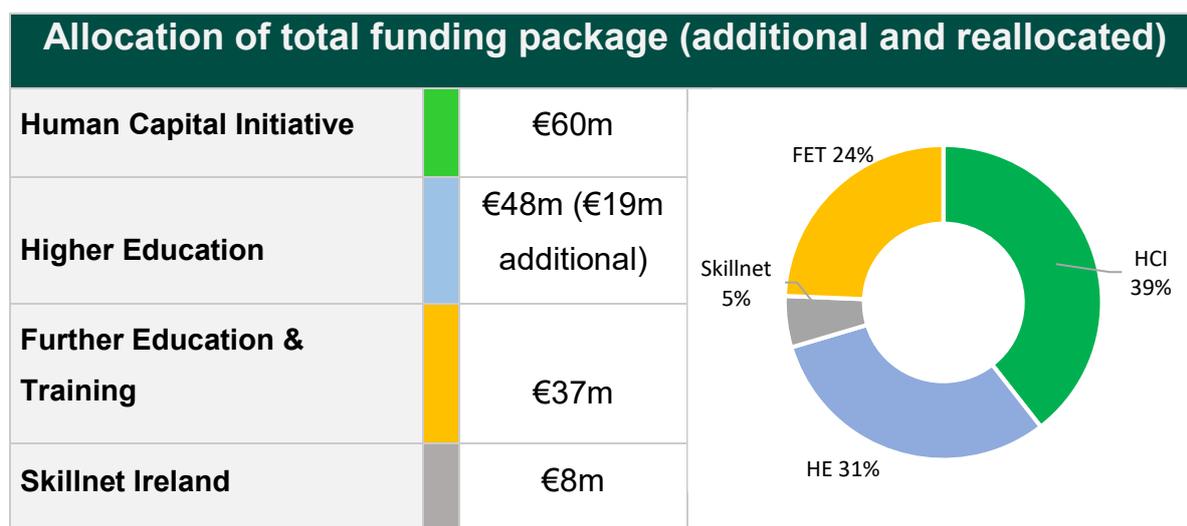
Increasing investment in HE, FET and Skills to support Ireland's human capital

Ireland's human capital is one of our core economic strengths and is a key enabler of future economic, social and cultural development. Investment in higher and further education and training secures the supply of key skills for the economy and society, provides upskilling and reskilling opportunities for individuals, resources high quality teaching and learning in a range of settings, enables the education and training system to respond to technological change and supports research and innovation in our institutions. This funding also is a key support for regional development.

An additional allocation of €153 million will be made in higher and further education and training in 2020. An overview of how the additional funding will be allocated is set out below.

Funding for new HE/FET measures (additional and reallocated)	
Human Capital Initiative	€60m
Additional yield from the 0.1% increase in the NTF Levy in 2019	€74m
Additional Exchequer allocation for HE demographics	€19m
Total	€153m

Note: The figures in this table exclude an additional €29m Exchequer funding for pay and pension restoration measures



2020 sees the final phase of three annual +0.1% increases in the National Training Fund (NTF) Levy. This is estimated to generate additional annual investment resourced through the NTF to €190 million over 2017 levels.

Summary of HE/FET programmes and outputs

This significant level of investment will be used to respond to demographic pressures and to underpin a range of initiatives in the higher and further education and training sector, including key enhancements for teaching and learning, as well as providing skills-enhancing opportunities for those individuals, sectors and regions most vulnerable to Brexit or requiring updated skills in the world of work transformed by technology and automation.

Overview of investment in Higher and Further Education and Training in Estimates 2020	
Five-year Human Capital Initiative including among other initiatives 1,500 new additional graduate conversion places and 1,500 undergraduate places in identified areas of enterprise skills needs.	€60m
Further provision of places catering for demographic change in HE	€19m
TU development – TURN (TU Research Network) Report	€16m*
Higher Education Research Excellence	€3m
HE Wellbeing Initiative, agency capacity building, HEI strategic development and reform including and multi-campus provision	€9m
Provide an increase in apprenticeship training to cater for an apprenticeship population reaching almost 20,000 by end 2020 with around 7,000 new registrations during the year	€27m
Skillnet Ireland: additional 7,000 training places under existing schemes and launch of Digital Skills Initiative and SME Direct Upskilling Scheme	€8m
Lifelong learning through upskilling those in employment and supports to facilitate the upskilling of those seeking employment.	€11m
TOTAL	€153m

**Supplemented with €14m of re-prioritised funding and maintained over an initial three year period 2020 - 2023 to generate €90 TU Transformation Fund*

The commencement of the Human Capital Initiative (HCI) will increase provision on courses responding to identified skills needs, providing reskilling and upskilling opportunities, increased undergraduate provision, and incentivising continued reform and innovation in higher education provision.

Targeted provision of resources to the higher education sector will enable significant reform and reshaping of the landscape through the establishment of technological universities (TUs). The continued development of the TU sector of higher education will be underpinned by the establishment of the TU Transformation Fund responding to the TURN report (see below).

Higher education research excellence will be supported through a competitive initiative aimed at encouraging our universities to develop excellence strategies in research performance.

Investment in capacity to enhance student wellbeing services in higher education institutions is also planned.

The investment will continue to support strong growth in apprenticeship training and enhance targeted skills programmes with a focus on upskilling those in employment and supporting the training of jobseekers. A summary of programmes is set out in the table above.

Taken together, this represents a major investment in the Government's ambition for a flexible and adaptable workforce set out in Future Jobs Ireland. Education and training is being resourced to respond to the challenges and opportunities of technological change and the transition to a low carbon economy. Institutions are also being supported to grow participation in the labour market, assist SMEs to innovate and adapt and support employers and employees to respond to the challenges of Brexit. People are learning in new ways, in new settings and at various points in their lives and careers. Our learning institutions are supporting this emerging, more flexible learning landscape.

Human Capital Initiative – Priority HE Skills for the Economy

As agreed as part of estimates process in 2019, from January 2020, the Human Capital Initiative will be established within the NTF and will form a key part of the Government's strategic response to Brexit and other challenges facing the economy. In 2020 €60 million will be provided via the HCI which will create 1,500 new additional graduate conversion places and 1,500 additional undergraduate places on courses in areas of identified skills needs. It will also incentivise continued reform and innovation in Higher Education provision. The HCI will consist of 3 core pillars (details overleaf).

Human Capital Initiative		
<u>Pillar 1:</u> Graduate Conversion Programmes	<u>Pillar 2:</u> Expansion of Existing Places on Undergraduate Courses	<u>Pillar 3:</u> Innovation and Agility
<p>These programmes will offer an additional 1,500 places at level 8 and 9 for graduates to reskill and specialise in areas of skills shortage and emerging technologies e.g. ICT, High End Manufacturing, Data Analytics, Robotics, AI.</p>	<p>1,500 additional places will be provided in areas of identified enterprise skills needs including Science, Engineering, ICT, and Professional Construction qualifications. Funding will be provided to the institutions for each additional student and will be in addition to HEA core grant funding.</p>	<p>This pillar has two key streams:</p> <p>An Innovation stream that aims to ensure that courses in areas of skills needs demonstrate innovative methods of teaching and delivery.</p> <p>An Agility stream which will enable HEIs and students to respond to future developments in work, technology and society and aims to respond to developments in technology that may not yet be evident.</p>

Technological Universities Transformation Fund

Following the establishment of TU Dublin on 1 January 2019, a major element of the reform agenda in higher education is to continue to reshape the higher education landscape by establishing further technological universities across the country.

Earlier this year a high-level group, the TU Research Network or “TURN”, was established with an independent chairperson to look at how TUs can best achieve their sectoral and national objectives such as are set out in *Project Ireland 2040*, *Future Jobs Ireland* and the Horizon research programmes. The TURN Group also examined the actions necessary for Ireland’s new TUs to achieve the ambition of meeting international standards of performance and excellence.

The TURN group has now submitted its report, which makes a set of recommendations for actions and outcomes that will provide TUs with a solid foundation for meeting their medium-term goals.

In responding to the TURN report, a three-year €90m TU Transformation Fund is being established to support the implementation of these recommendations, to accelerate progress in securing TU designation and to ensure that TUs are at the heart of delivering economic and social development objectives in their regions also responding to the specific and diverse regional and sectoral impacts expected from Brexit.

Investing through a reformed National Training Fund (NTF)

The NTF has been a key contributor over the last number of years in preparing learners and those in the labour market for the future world of work. The Fund has been able to react to changes in the economy and the shift in the labour market in order to support the larger working population, to address the higher demand for lifelong learning as the influence of technology increases and to address emerging areas of skills and labour shortage. The NTF is crucial in responding in an evolving landscape, as we prepare for Brexit in terms of how it will affect the economy and employment.

The NTF levy has increased from 0.7% to 1.0% between 2018 and 2020. This has allowed for total annual investment to grow by over **€190 million** in this timeframe. This additionality can be seen in particular in the following areas:

- The overall **Apprenticeship population** will have grown by 60% since the end of 2017 to almost 20,000 by the end of 2020.
- The new **ETB Skills to Advance programme** will provide upskilling to 8,000 people in the workforce by the end of 2020.
- The number of participants in **Skillnet Ireland** programmes will have increased by over 40% since 2017, reaching 69,000 in 2020.

In Budget 2019, an implementation plan to deliver the recommendations of the independent review of the NTF was published along with details of a new advisory group to the National Skills Council in order to secure employer input into the strategic direction of the Fund. This advisory group has had a significant input into priorities and themes that set the direction for the NTF in Budget 2020. The main areas identified include:

Continued expansion of apprenticeships

Commitment to development of apprenticeships set out in the *Action Plan to Expand Apprenticeship and Traineeship 2016-2021* will see 1,800 registrations on new apprenticeships and 5,765 registrations on pre-2016 apprenticeships in 2020. Further new apprenticeship programmes will be delivered to add to the almost doubling of programmes available in recent years.

Enterprise-led training and upskilling for those in employment

In line with Government policy to support workforce upskilling and commitment to roll out the ETB-led **Skills to Advance programme** to target existing employees with limited formal qualifications, funding will be provided for an additional 3,000 employees in this area through focused initiatives targeting employers, individual employees and sectoral and regional responses via a competitive call.

Skillnet Ireland will provide substantial additional training and development as follows:-

- further expansion of **3,700 places in Skillnet Ireland's existing network of enterprise-led training programmes**;
- A new **SME upskilling scheme** targeting 1,200 owners / managers in 2020 to assist in responding to the productivity gap in the indigenous SME sector.
- The **Digital Skills Initiative** which is planned to provide 2,150 training places to over 900 companies in 2020 to help meet the objectives of *Technology Skills 2022 – Ireland's 3rd ICT Skills Action Plan*

- There will be increased funding to support the network of nine **Regional Skills Fora** as a mechanism for Employers and the further and higher education and training system to work together in identifying and building the skills needs of their respective regions through sustainable engagement with all relevant stakeholders.

Upskilling for those preparing for employment including higher education and lifelong learning

Additional funds will be provided to SOLAS to implement **targeted learner supports** across a broad range of programmes to meet the needs of a diverse range of learners through technology enhanced learning, early intervention supports and supports for those with disabilities.

The NTF will be deployed to support further close-to-labour-market skills programmes in areas of identified skills needs with support for enterprise-focused higher education.

Changes in National Training Fund provision	Changes in 2020
Transfer of certain HE provision of relevance to employers to NTF from the Vote	€28.2m
Additional Expenditure on Apprenticeship and Traineeship	€27.1m
Additional Expenditure on Skillnet Ireland	€7.9m
ETB Employee Development Programme – Skills to Advance	€6.3m
Additional Expenditure on learner supports	€3.9m
Other increases	€0.6m
Total	€74m

Capital investment

Project Ireland 2040



Project Ireland 2040 provides for a €11.9 billion investment in the education and training sector over the period 2018 to 2027. This level of funding allows investment in modern, state of the art facilities in our schools, higher and further education and training institutions and will have a transformative impact on the education system.

2020 Capital allocation

The 2020 capital allocation for the Department is €922m.

Investing in schools

The schools 2020 allocation will support circa 60 new projects going to construction in 2020 ranging in value from €1m to projects with a value in excess of €20m delivering in excess of 30,000 school places (permanent additional and replacement places). This is in addition to in excess of 40 existing projects ranging in value from €1m to projects with a value in excess of €20m which are currently in construction and being progressed through 2020 delivering up to 25,000 school places (permanent additional and replacement places).

The capital allocation will also facilitate the delivery of smaller scale projects, acquisition of sites under the site acquisition programme and works necessary for those schools included in the School Remediation Programme.

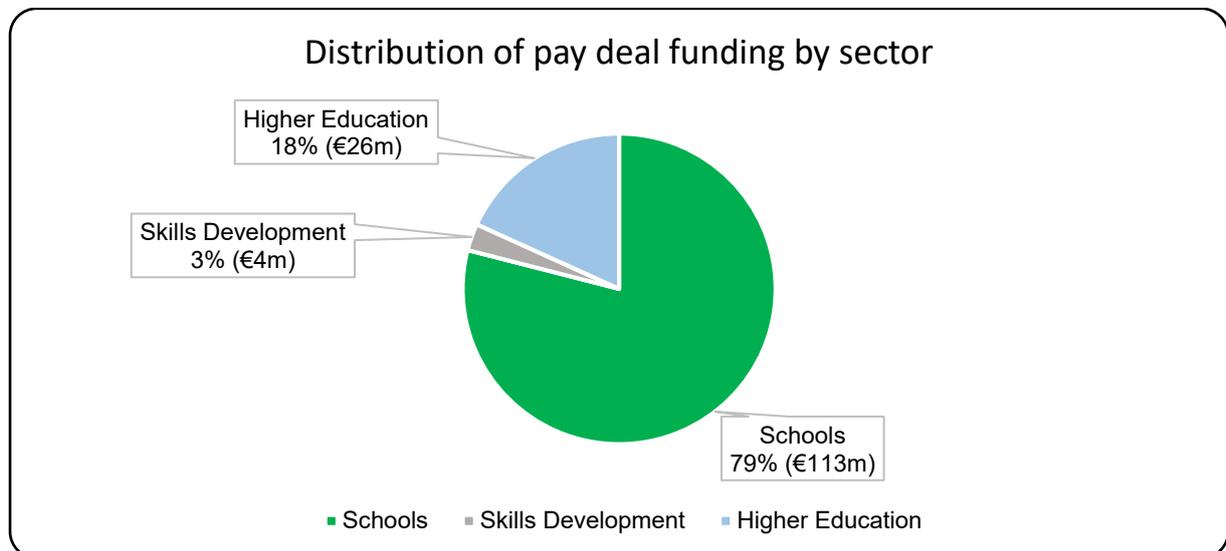
Investing in higher and further education and research

The total allocation, including PPPs, for 2020 also includes €174m for the higher education, further education and training, and research sectors. This will support infrastructure investments to expand student places and upgrade existing infrastructure. 12 Exchequer-supported higher education projects will be under construction in 2020. The allocation will also fund the Irish Research Council's Laureate Programme and awards to postgraduate and postdoctoral researchers.

Pay deals in the education sector

Public Service Stability Agreement and other pay agreements

Arising out of the Public Service Stability Agreement, €143m in expenditure funding has been allocated to provide for amendments to pay and pension rates.



Pay

- 1 April 2019 restoration of final third of salaries over €110k – carryover implications on 2020
- 1 September 2019 annualised salaries to increase by 1.75% – carryover implications on 2020
- 1 January 2020 annualised salaries up to €32,000 to increase by 0.5%
- 1 October 2020 annualised salaries to increase by 2%.

Additional Superannuation Contribution

- Increase exemption of contributions to first €34,500 on 1 January 2020
- Reduced rates of contributions for Single Public Service Pension Scheme members

Other pay agreements have cost implications on Department of Education and Skills Vote in 2020

- New Entrant Agreement under the PSSA
- Public Service Pay and Pensions Act 2017 restoration of certain allowances cut by FEMPI legislation
- Partial reversal of the Public Service Pension Reduction



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