

Budget 2012



Information leaflet regarding changes to the education budget

Introduction by Ruairi Quinn, TD Minister for Education and Skills

Over the next 6 years, we will see an extra 70,000 pupils in our primary and second level schools. This surge in numbers comes at the most challenging time possible for the education sector, and will demand that all of us achieve more with fewer resources.

This Government has prioritised the protection of education within a very difficult budget. While overall Government current spending will reduce by 2.2%, the reductions to the education budget will be 1.7%.

Within the education budget, my focus has been on protecting those who are most vulnerable. There will be no reductions in the overall number of Special Needs Assistants (SNA) or Resource Teachers in this budget. We have also protected to the greatest extent possible primary and disadvantaged second-level schools from changes to teacher allocations.

It is important that we continue with our reform agenda. Funding for the national literacy and numeracy strategy, for an overhaul of the Junior Cert, and for roll-out of high-speed broadband to all second-level schools has been secured, and will allow us to continue to improve the quality of the education system in Ireland.

Overall Allocation

	2011 - €m	2012 - €m	2013 - €m	2014 - €m
Total allocations for gross voted current expenditure*	8,387	8,242	8,163	8,091
Net savings, after new expenditure measures and upward pressures are taken into account		76	157	241
Further savings required			68	138
% Reduction compared to 2011		1.7%	2.7%	3.5%

* There will also be an annual allocation of €362 million under the National Training Fund.

Teacher allocations

The **pupil-teacher ratio at primary level is unchanged** for the 2012/13 school year. The overall number of **Resource Teachers and SNAs for children with special needs will also be protected** at primary and second-level levels.

At primary level starting in 2012, phased adjustments will be made to the **staffing schedules for 1, 2, 3 and 4 teacher schools (schools with less than 86 pupils)**. These adjustments will increase the minimum number of pupils required for allocation of teaching posts, and will affect about 100 posts next year. **This measure is being phased in. Small schools will be encouraged to assess their amalgamation options.**

At second-level level, guidance provision will be managed by schools from within their standard teacher allocation. In this way, the main teacher allocation can be maintained at 19:1 for schools generally, while schools will have discretion to balance what they allocate for guidance against the competing demands of providing subject choice.

There will also be a **1 point increase in the staffing schedule for all fee-charging schools.**

During 2012, the Department **will conduct an analysis of funding for the fee-charging school sector** to inform policy decisions in future years. We will facilitate discussions with any fee-charging school that wishes to consider moving into the non-fee-charging sector.

There will be a **phased withdrawal of 428 posts** that were allocated to schools under 'legacy' programmes prior to the rollout of the DEIS initiative in 2005. This will ensure fairness in the distribution of available resources under the DEIS scheme.

When account is taken of additional teacher posts for demographics at primary and second-level level the number of teacher posts in primary schools will increase by an estimated 250 and the number at second-level level will reduce by 450 **for the 2012/13 school year.**

Funding for schools

- Overall there will be a **2% reduction in the funding for capitation and related grants to primary and second level schools in each of 2012 and 2013 and a further 1% reduction in each of 2014 and 2015.**
- **The reduction will be applied to the basic capitation payment and will return the funding of schools for basic capitation to 2007 levels** – when costs in the economy were at their highest. We are continuing to work with schools to help them devise shared procurement models that will deliver savings for schools.
- Other grants including **extra capitation payable to DEIS schools and book grants have been protected.**
- Changes will be announced early in 2012 to the current operation of the school book grant in order to incentivise the establishment of book rental schemes in schools. This forms part of our ongoing work **to reduce school-related costs for parents.**

Teacher Allowances

Pending completion of the public service-wide review of allowances and given the upward pressure on the cost of teacher allowances, the Government has decided to make changes, with immediate effect, to the rules governing payment of qualification allowances to teachers.

Teachers will hold their existing allowances, but will not receive additional allowances for further qualifications. New teachers will be eligible for allowances up to honours degree level only.

Higher Education and Student Grants

The 2007 National Skills Strategy set down a target of 72% participation rate in higher education by the year 2020. At 65%, we are well on our way towards achieving that goal.

In the context of overall demographic and budgetary pressures a number of savings measures will be necessary over the coming years.

Third-level funding	Student Contributions	Student Grants
<p>There will be a 2% reduction in pay and non-pay funding for third-level institutions in 2012, a further 2% reduction in 2013, and a further 1% reduction in each of 2014 and 2015.</p> <p>We acknowledge that this will cause challenges for the third-level sector in the coming years.</p> <p>The savings delivered by these measures will amount to €24 million in 2012, and €69 million in a full year.</p>	<p>The Student Contribution will rise by €250 next year to €2,250.</p> <p>About 41% of students were exempt from paying the Student Contribution in 2011. Similar proportions of students are expected to be exempt in 2012.</p> <p>The contribution of €2,250 next year will remain considerably lower than the fees of £3,465 payable in Northern Ireland, and up to £9,000 in England and Wales.</p>	<p>Student grants will be reduced by 3% from 1 January 2012.</p> <p>There will be no maintenance payments for new entrant postgraduate students, but over 2,000 students on the lowest incomes will have their fees paid and another 4,000 students will receive a fee contribution of €2,000.</p> <p>A Capital Assets Test will be introduced in 2013, allowing certain capital assets as well as income to be assessed as part of all grant applications.</p>

Further Education and Training

- The capitation grants paid for participants on further education programmes will be reduced by 2% in 2012 and 2013 with a further reduction of 1% in 2014 and 2015. This is in line with reductions to non-pay funding for schools and third-level institutions.
- The two existing allowances paid to 16 & 17 year olds participating in Youthreach, Community Training Centre and FÁS courses are being merged and reduced to one standard rate of €40.

School transport

The charge for primary school transport will increase from €50 to €100. The family maximum at primary level will increase to €220 from €110. These measures will be offset by a reduction in concessionary charges at primary level with the charge reducing from €200 to €100.

The overall family maximum charge of €650, and the second-level charge of €350 remain unchanged.

Protection of disadvantaged schools

A key priority is to continue to prioritise and target available funding at schools with the most concentrated levels of educational disadvantage.

At primary level, a new staffing schedule for all **DEIS Band 1** schools will be based on a general average of **1 teacher for every 22 pupils, compared to 1 teacher for every 28 pupils in mainstream schools**. This will replace the existing approach of giving a “top up” allocation on the existing standard staffing schedule to enable DEIS Band 1 schools to implement reduced class sizes of 20:1 in junior classes and 24:1 in senior classes.

All DEIS second-level schools will be given targeted support by a more favourable staffing schedule of **18.25:1**. This is a 0.75 point reduction compared to the existing PTR of 19:1 that applies in non fee-paying second-level schools. 195 second-level schools are included in DEIS.

The basic capitation reduction will apply to all schools but **DEIS schools will continue to receive the enhanced DEIS grant** which has not been reduced

The five existing scholarship schemes for higher education are being replaced with a single bursary style, merit based scheme with awards set at €2,000 per student. **The bursary will be an additional support to incentivise and reward high achievement for students from DEIS schools**. Over 370 students will be awarded the bursary in the next four years, and they will also be eligible to apply for higher education grants.

New spending measures

€9.4 million is being provided in 2012 to commence implementation of **Programme for Government commitments**. This includes:

- Implementation of actions in the **literacy and numeracy strategy** (€6m 2012)
- **Funding the reform of the junior cycle**, which will completely overhaul the Junior Cert starting in September 2014 (€1m in 2012)
- Roll-out of high-speed (100mbps) **broadband to every second-level school** in Ireland by the end of 2014 (€2.4m 2012)

€30 million is being provided in 2012 to fund more targeted **Labour Market Activation Measures**. This includes:

- €20 million is being provided under the National Training Fund for a new Labour Market Activation Fund. This fund, which will be specifically targeted at the long-term unemployed, **will deliver upward of 6,500 places in 2012**.
- €10 million is being allocated, also under the National Training Fund, to support a **further roll-out of the Springboard initiative** to increase the part-time higher education opportunities for unemployed people.