

Fine Gael Costings

1. Arts Heritage & Gaeltacht

1.1 To strengthen and support the use of Irish as the spoken language in Gaeltacht schools. The cost of extending the Irish Language Assistants Scheme (Scéim na gCúntóirí Teanga) to all Irish-medium schools.

Based on 2015/2016 grants, the average grant per School under the Irish Language Assistants Scheme is €7,593 – this equates to an average grant per Assistant of €8,801

1.2 The estimated cost of extending the Section 1003 tax relief to heritage items that are donated to regional museums, as well as cultural institutions.

Background:

Section 1003 of the Taxes Consolidation Act 1997 provides tax relief for the donation to approved bodies (including the National Gallery) of heritage items that are considered outstanding examples of their type, whose export from the State would constitute a diminution of the accumulated cultural heritage of Ireland. This has been used as a model in the past to secure items for national institutions. 80% of the market value of the item(s) is then offset against the current tax liability of the donor. There is a ceiling of €6 million in respect of any one year.

Comments:

The provision of tax relief is a cost to the State in terms of tax revenue foregone rather than direct expenditure. At present, there is a ceiling of €6 million in respect of any one year.

It is not possible to put a specific cost on the extension of tax relief to the donation of heritage items to regional museums as it would be in terms of revenue foregone rather than a direct cost to the State. However, an extension of the tax relief to donations to regional museums would presumably necessitate an increase in the cap of €6 million in respect of any one year.

It is assumed that the value of what might be donated would be less than what might be donated to national cultural institutions. However, it is difficult to predict the type of demand there might be for such relief. Any possible solution would lie in an increase in the cap of €6 million in respect of any one year to perhaps €7 million or €7.5 million.

In summary, the cost of the extension of the Section 1003 relief can only be defined in terms of tax foregone. There is a ceiling in place at the moment. An extension of the scheme might necessitate an increase in the ceiling.

2. Children and Youth Affairs

2.1 The cost of the ECCE year and the current number of children availing of it and also the forecast costs and numbers annually for the next five years on basis of existing provision

Table 1 below presents Department of Education and Skills estimates of the number of children enrolling in junior infant classes over the period 2016/17 – 2020/21.

| Table 1: Number of children enrolling in junior infant classes (2016/17 – 2020/21) | | | | | |
|-------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Year | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
| Junior Infants | 73,000 | 70,326 | 67,861 | 66,438 | 64,500 |

The ECCE Programme provides a free pre-school year to children in the age range 3 years and 2 months to 4 years and 7 months before commencing primary school. Therefore, for the purpose of this costing, it is assumed that 95% of the child cohorts in Table 1 (i.e. current ECCE uptake) will avail of ECCE in the previous year (see Table 2).

| Table 2: Number of children availing of ECCE (2015/16 – 2019/20) | | | | | |
|-------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Year | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| ECCE | 69,350 | 66,810 | 64,468 | 63,116 | 61,275 |

The ECCE Programme is designed to be delivered for three hours per day, five days per week, over 38 weeks per year. Capitation fees are paid to participating services on the basis of this provision. The standard weekly capitation payment for each eligible child enrolled is currently €62.50 (or €2,375 per annum), with a higher capitation of €73 (or €2,774 per annum) paid for eligible children enrolled in services where staff hold higher qualifications. Currently, 67 per cent of children attend standard capitation services and 33 per cent of children attend higher capitation services.

Based on these data, the cost of the ECCE year and the number of children availing of it over the next five years is presented below (on basis of existing provision). This excludes any administration fee.

| Table 3: Cost of ECCE (2015/16 – 2019/20) | | | | | |
|--------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Year | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| Total number of children of which: | 69,350 | 66,810 | 64,468 | 63,116 | 61,275 |
| standard capitation services | 46,465 | 44,763 | 43,194 | 42,288 | 41,054 |
| higher capitation services | 22,886 | 22,047 | 21,274 | 20,828 | 20,221 |
| Total cost of capitation | 173,837,565 | 167,470,623 | 161,600,002 | 158,210,984 | 153,596,204 |

2.2 The cost and numbers annually for the next five years if ECCE is extended to 18 months on basis/criteria of proposals in the recent Departmental Expert Group report.

As outlined above, the ECCE Programme is designed to be delivered for three hours per day, five days per week, over 38 weeks per year. For the purpose of this costing, it is assumed an extension to 18 months is essentially increasing current entitlement by 50% (i.e. from 38 weeks to 57 weeks). This costing continues to assume 67 per cent of children attend standard capitation services and 33 per cent of children attend higher capitation services. The three different weekly capitation rates, as outlined in the IDG Report, are also used (see below):

- Existing weekly rate (i.e. basic €62.50; higher €73)
- Restored weekly rate (i.e. basic €64.50 higher: €75)
- New weekly rate (i.e. basic €67.50 higher: €82.50)

The annual costs for this proposal over the next five years are presented below for each capitation rate. This excludes any administration fee.

| Table 4: Cost of ECCE (2015/16 – 2019/20) | | | | | |
|----------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Year | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| Total number of children of which: | 69,350 | 66,810 | 64,468 | 63,116 | 61,275 |
| standard capitation services | 46,465 | 44,763 | 43,194 | 42,288 | 41,054 |
| higher capitation services | 22,886 | 22,047 | 21,274 | 20,828 | 20,221 |
| A. Total cost of capitation (existing rate) | 260,756,3 47 | 251,205,9 34 | 242,400,0 02 | 237,316,4 76 | 230,394,30 6 |
| B. Total cost of capitation (restored rate) | 268,662,2 47 | 258,822,2 74 | 249,749,3 54 | 244,511,7 00 | 237,379,65 6 |
| C. Total cost of capitation (new rate) | 286,391,2 28 | 275,901,9 17 | 266,230,2 76 | 260,646,9 89 | 253,044,30 4 |

2.3 The cost of a second pre-school year being implemented in 2020 and the number of children that would benefit from it on basis of forecast demographics.

- The Department of Education and Skills estimates that 62,577 children will enrol in junior infant classes in 2021/2022. Therefore, 95% of these children (i.e. 59,448) are assumed to avail of the ECCE Programme in 2020/2021. This costing continues to assume 67 per cent of children attend standard capitation services and 33 per cent of children attend higher capitation services. The three different weekly capitation rates, as outlined in the IDG Report, are also used (see below):
 - Existing weekly rate (i.e. basic €62.50; higher €73)
 - Restored weekly rate (i.e. basic €64.50 higher: €75)
 - New weekly rate (i.e. basic €67.50 higher: €82.50)
- The cost of a second free pre-school year in 2020 (i.e. 76 weeks ECCE provision) for each capitation rate is presented below. This excludes any administration fee.

| Table 5: Cost of a Second Free Pre-School Year in ECCE (2020/21) | |
|-------------------------------------------------------------------------|----------------|
| Year | 2020/21 |
| Total number of children of which: | 59,448 |

| | |
|----------------------------------------------------|-------------|
| standard capitation services | 39,830 |
| higher capitation services | 19,618 |
| A. Total cost of capitation (existing rate) | 298,033,036 |
| B. Total cost of capitation (restored rate) | 307,069,132 |
| C. Total cost of capitation (new rate) | 327,332,578 |

2.4 The cost of the Area Based Childhood (ABC) Programme (including a breakdown of State and philanthropic funding); the number of people/families it reaches; the cost per area programme (currently 13 in place); the cost for every additional 5 areas included in ABC on that basis of continuing shared State/philanthropic funding and also on state funding alone;

- Not relevant to the Early Years Policies and Programmes Unit of the Department of Children and Youth Affairs.

2.5 The cost of the Area Based Childhood (ABC) Programme (including a breakdown of State and philanthropic funding)

The Area Based Childhood (ABC) Programme is a prevention and early intervention initiative consisting of committed funding for an area-based approach in helping to improve outcomes for children on a range of themes. The ABC Programme which runs from 2013-2017 builds on previous work in the area of prevention and early intervention, including the Prevention and Early Intervention Programme (PEIP) 2007-2013. The initiative is intended to support and test the implementation of innovative models of service delivery so as to inform the reform and development of mainstream service provision.

The ABC Programme is co-funded by the Department of Children and Youth Affairs (DCYA) and The Atlantic Philanthropies (AP) on a matched basis. The total ABC Programme funding amounts to €29.7m over the period of the programme, with DCYA and AP providing €14.85m each.

2.6 The number of people/families it reaches

The Centre for Effective Services are in the process of gathering data towards an interim evaluation in mid-2016. Currently this information is available for 10 of the 13 sites. For those ten sites, it is anticipated that 5,615 parents, 16,140 children and 132 schools will participate in the ABC Programme over its lifetime. Figures for 3 sites (Midlands, Knocknaheeny and Limerick) are currently being updated.

2.7 The cost per area programme (currently 13 in place)

| ABC Area | Agreed Budget |
|--------------------|---------------|
| CDI Tallaght | €4,066,743 |
| Preparing for Life | €3,339,000* |
| Youngballymun | €5,000,000 |
| Clondalkin | €1,092,099 |
| Genesis (Louth) | €1,510,590 |
| Better Finglas | €1,212,410 |
| Dublin Docklands | €1,200,000 |
| Bray | €838,000 |
| Young Knocknaheeny | €1,800,000 |
| Grangegorman | €940,826 |
| Ballyfermot | €750,000 |
| Limerick | €1,579,563 |

*The Preparing for Life budget includes the budget of the Midlands Project.

2.8 The cost for every additional 5 areas included in ABC on that basis of continuing shared State/philanthropic funding and also on state funding alone

The budget given to each site is time-bound and varies widely depending on the range and type of services that each site has planned and been approved to provide. By way of reference, the budgets of the 10 new sites (excluding the Midlands Project) range from €1,800,000 for Young Knocknaheeny to €750,000 for Ballyfermot. The average budget for these 9 New Sites is €1,213,721. On this basis, five additional sites would be in the region of €6m, however this figure is contingent on a wide variety of factors which would not be known until applications were examined in detail.

As this is a co-funded initiative, it should be noted that AP is currently in the process of winding down its significant portfolio of funding in Ireland in anticipation of its withdrawal. Given this, any continuation of the ABC programme will solely be dependent on state funding. Based on this the total costs for another cycle of ABC programme funding would be €29.7m, and approximately €35.7m if the programme was to be extended to 5 additional sites. As AP have indicated that they will not be in a position to consider any funding provision for maintaining or expanding the ABC programme, the total cost of funding which would need to be borne by the State, if consideration were to be given to any extension or expansion of the programme, would be €35.7m.

In line with the significant emphasis placed on evidence-informed approaches by the DCYA and the Atlantic Philanthropies, an evaluation of the impact of the investment under the ABC programme is currently underway with final evaluation findings ready in 2018.

This evaluation will indicate the impact of the ABC programme and will in turn inform consideration of mainstreaming the learning from this initiative into established and existing services and supports, rather than the expansion of the ABC programme. A key question is how to advance a systemic approach to mainstreaming the learning, as opposed to a continued geographic or site-specific expansion, can be developed to ensure a far greater reach in terms of scope and systems change, enhance the impact of such learning and offer a resource effective approach in terms of securing maximum yield in policy and provision for children, young people, families and their communities.

2.9 Please provide, in tabular format if possible and where appropriate, the first and full year costs of the following proposals:

- **Universal and not means tested**
 - **For all households where there are children aged 1-2 years (inclusive i.e. over 12 months and less than 3)**
- a) **Both parents are in employment, for couple households**
 - b) **The primary carer is in employment, for lone parent households**

Paid directly to childcare providers

Based on the following estimates of take-up (the Report of the IDG on Future Investment in Childcare based costings on an estimated 15% take-up of centre-based childcare among pre-school aged children):

- a) **15% of the eligible cohort**
- b) **30% of the eligible cohort**
- c) **45% of the eligible cohort**

On the following annual subvention rates, per eligible child:

- a) **€1,000**
- b) **€1,500**
- c) **€2,500**

Assumptions and Costs:

In 2014, the population of children aged 1-2 years was 147,056 (see Table 1).

| Table 1 | |
|----------------|---------------------------|
| | Number of children |
| Age 1 | 71,596 |
| Age 2 | 75,460 |
| Total | 147,056 |

Source: Population Estimates, 2014

In 2013, the employment rate for: a) men who were lone parents or were part of a couple whose youngest child(ren) were aged 0-3 was 81.9%; and b) women who were lone parents or were part of a couple whose youngest child(ren) were aged 0-3 was 59.5% (see Table 2).

| Family Status | Men | Women |
|-------------------------------|-------------|--------------|
| No children | 86.2 | 85.6 |
| Youngest child aged 0-3 | 81.9 | 59.5 |
| Youngest child aged 4-5 | 76.2 | 51.7 |
| Youngest child aged 6 or over | 80.2 | 59.3 |
| Total | 81.9 | 63.0 |

Source: Quarterly National Household Survey, 20143

Based on these data, it is assumed that 60% of children aged 1-2 will be in some form of childcare (see Table 3).

| | Number of children | Number of children in childcare |
|--------------|---------------------------|----------------------------------------|
| Age 1 | 71,596 | 42,958 |
| Age 2 | 75,460 | 45,276 |
| Total | 147,056 | 88,234 |

The estimated proportion in centre-based childcare under the various scenarios (i.e. 15%, 30% and 45% of the eligible cohort) is presented in Table 4.

| | Scenario 1 (i.e. 15% of eligible cohort) | Scenario 2 (i.e. 30% of eligible cohort) | Scenario 3 (i.e. 45% of eligible cohort) |
|--------------|-----------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Age 1 | 6,444 | 12,887 | 17,183 |
| Age 2 | 6,791 | 13,583 | 18,110 |
| Total | 13,235 | 26,470 | 35,293 |

The estimated costs of an annual subvention of a) €1,000; b) €1,500 and c) €2,500 for each scenario are presented in Table 5. This ranges from approximately €13 million (where 15% of the eligible cohort is in centre-based childcare and the annual subvention is €1,000 per eligible child) to €88 million (where 45% of the eligible cohort is in centre-based childcare and the annual subvention is €2,500 per eligible child).

| Scenario 1 | Scenario 1 (i.e. 15% of eligible cohort) | €1,000 annual subvention | €1,500 annual subvention | €2,500 annual subvention |
|-------------------|-----------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Age 1 | 6,444 | €6,444,000 | €9,666,000 | €16,110,000 |

| | | | | |
|-------------------|-----------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Age 2 | 6,791 | €6,791,000 | €10,186,500 | €16,977,500 |
| Total | 13,235 | €13,235,000 | €19,852,500 | €33,087,500 |
| Scenario 2 | Scenario 2 (i.e. 30% of eligible cohort) | €1,000 annual subvention | €1,500 annual subvention | €2,500 annual subvention |
| Age 1 | 12,887 | €12,887,000 | €19,330,500 | €32,217,500 |
| Age 2 | 13,583 | €13,583,000 | €20,374,500 | €33,957,500 |
| Total | 26,470 | €26,470,000 | €39,705,000 | €66,175,000 |
| Scenario 3 | Scenario 3 (i.e. 45% of eligible cohort) | €1,000 annual subvention | €1,500 annual subvention | €2,500 annual subvention |
| Age 1 | 17,183 | €17,183,000 | €25,774,500 | €42,957,500 |
| Age 2 | 18,110 | €18,110,000 | €27,165,000 | €45,275,000 |
| Total | 35,293 | €35,293,000 | €52,939,500 | €88,232,500 |

3. Communications, Energy & Natural Resources

3.1 The annual cost to the Exchequer of introducing a Renewable Heat Incentive modelled on the UK equivalent.

The annual cost of a Renewable Heat Incentive to the Exchequer will depend on the level of uptake and fossil fuel prices but is estimated to be in the range of €5-33million per annum.

3.2 The cost of delivering high speed broadband (30-100mbps) broadband to all primary level schools in the country.

Based on our experience from the 100Mbps post-primary schools rollout, the Department estimate that each school could cost approx. €9,500(ex VAT) to deliver a 100Mbps connection. This cost includes service provider connection charges, a network termination unit and ancillary services such as content filtering, anti-virus and internet port charges. The table below reflects the total cost of connecting approx. 3,300 primary schools across the country:

| No of schools | Estimated Capital Installation Cost per School | Total |
|---------------|------------------------------------------------|---------|
| 3,300 | €9,500 | €31.35m |

Additionally each school would be liable for recurring service provider charges annually of €7,500 (ex VAT) p.a. The table below reflects the annual cost of maintaining a 100Mbps connection to approx. 3,300 primary schools across the country:

| No. of Schools | Estimated Annual Recurring Service Charge per School | Total |
|----------------|------------------------------------------------------|---------|
| 3,300 | €7,500 | €24.75m |

3.3 The amount of extra revenue that would be raised by replacing the TV licence with a Household Broadcasting Charge.

It is not possible to accurately determine what revenue would be raised from the introduction of a Household Broadcasting Charge due to a number of issues e.g. how much would be levied, who would pay and the need to develop the existing TV Licence database in advance of any changes.

We have attached for information a copy of the Value for Money Policy Review on the Introduction of a Public Service Broadcasting Charge which was published by the Department in April 2013

3.4 The projected revenues accruing to the State from TV licence receipts up to 2021.

Television Licence fee receipts are dependent on television licence sales each year. It is, therefore, not possible to estimate precisely the level of receipts. The total number of licences sold in 2014 was 1,018,370, which was an increase of 0.5% over 2013. Between 2009 and 2014 there was an annual average decline of 0.8%

3.5 The revenue losses to the State generated by reducing the existing TV licence fee by €10, €20 and €30 and the revenue gains to the State generated by increasing the existing TV licence fee by €10, €20 and €30.

Revenue losses to the State generated by reducing the existing TV licence fee by €10, €20 and €30:

| Direct Licence Sales 2014 figure | Revenue at existing fee of €160* €m | Revenue if existing fee reduced by €10 €m | Revenue if existing fee reduced by €20 €m | Revenue if existing fee reduced by €30 €m |
|----------------------------------|----------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|
| 1,018,370 | 163 | 153 | 143 | 132 |

*all figures to nearest €m and does not allow for Commission paid to An Post

Revenue gains to the State generated by increasing the existing TV licence fee by €10, €20 and €30:

| Direct Licence Sales 2014 figure | Revenue at existing fee of €160* €m | Revenue if existing fee increased by €10 €m | Revenue if existing fee increased by €20 €m | Revenue if existing fee increased by €30 €m |
|----------------------------------|----------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|
| 1,018,370 | 163 | 173 | 183 | 193 |

*all figures to nearest €m and does not allow for Commission paid to An Post

4. Education and Skills

4.1 Primary Pupil Teacher Ratio

To set out in tabular format

- a) How many additional (primary school) teachers will be required annually between September 2016 and September 2021 to maintain the current pupil teacher ratio of 28:1 and the costs associated with that?

| Staffing Schedule of 28:1* | | | |
|----------------------------|---------------------------|-----------------------------|---------------------------|
| Year | No. of Additional Pupils* | No. of Additional Teachers* | Estimated Annualised Cost |
| September 2016 | 7,959 | 439 | € 26,235,218 |
| September 2017 | 6,469 | 357 | € 21,323,737 |
| September 2018 | 4,907 | 271 | € 16,174,923 |
| September 2019 | - 458 | - 25 | -€1,509,703 |
| September 2020 | - 5,516 | - 304 | -€18,182,367 |
| September 2021 | - 8,710 | - 481 | -€28,710,736 |

* Pupil projections can be found [here](#).

** Staffing Schedule is the number of pupils required for the allocation of an additional Teacher. The Pupil Teacher Ratio (PTR) is less due to the existence of Resource Teachers and non-classroom teachers such as Principals. The staffing schedule in Primary is 28:1, the PTR including Resource Teachers is 16.2:1, and the PTR excluding Resource Teachers is 18.1:1.

*** These calculations of additional teachers are based on the PTR excluding Resource Teachers

- b) the costs to reduce the primary pupil teacher ratio in both junior and senior infants from 28:1 to:

| | Total Primary Student Costs | | Junior Infants | | Senior Infants | |
|--------------------------|-----------------------------|---------|----------------|--------|----------------|--------|
| | From | To | From | To | From | To |
| 27:1 Current - Sept 2016 | | | | | | |
| 26:1 | € 18.0 | € 21.0 | € 2.4 | € 2.8 | € 2.4 | € 2.8 |
| 24:1 | € 54.0 | € 63.0 | € 7.1 | € 8.3 | € 7.1 | € 8.3 |
| 22:1 | € 90.0 | € 90.0 | € 11.9 | € 11.9 | € 11.9 | € 11.9 |
| 20:1 | € 126.0 | € 126.0 | € 16.6 | € 16.6 | € 16.6 | € 16.6 |
| 18:1 | € 162.0 | € 162.0 | € 21.4 | € 21.4 | € 21.4 | € 21.4 |

4.2 The number of teaching posts and classrooms required to respond to each of the above reductions and associated costs.

Every 1-point reduction in the PTR at primary is indicatively estimated to cost approximately 300-350 posts at a total cost of €18-21m.

A 1 point reduction in the PTR would increase the requirements for classroom accommodation by approximately 100 classrooms.

4.3 Capitation rates

In tabular format, the costs

- **to increase capitation rates at both primary & post primary by 2% annually for 5 years commencing in September 2016; and to quantify per pupil;**
Each 1% increase in the Capitation Rates at Primary & Post-Primary would cost in the region of €3.7m approximately
- **using HICP to index capitation rates at primary and post primary for next 5 years commencing in September 2016; and quantify per pupil;**
The HICP is a retrospective exercise and does not forecast increases/decreased for future years. (See Appendix 1)

4.4 To set out the cost of lifting the moratorium on 'posts of responsibility' at both primary and post primary level and the cost of increasing the number of such posts in line with projected demographic trends.

Moratorium

Primary: AP posts €7.1m

Special duties €11.4m

Total €18.5m

Post-primary:

AP Posts €19.6m

Special Duties €11.3m

Total €30.9m

Cost of increasing posts in line with demographic increases in the period 2015-2018:

Primary: AP posts €2.0m

Special duties €4.9m

Total €6.9m

Post-primary:

AP Posts €6.9m

Special Duties €4.5m

Total €11.4m

4.5 To set out in detail the cost of

- **Introducing compulsory professional development for all primary and post primary teachers on the basis of two one-day in-service days annually. (Currently not compulsory)**

There are currently almost 60,000 teachers in primary and post primary schools.

For the purpose of this exercise we have provided the cost of two additional full days for each teacher on top of current provision which must continue to progress to support key Department strategies and the reform agenda. The additional provision will also have to fit into existing structures therefore reducing additional administration costs.

The estimated cost of this proposal is c€30m including substitution costs.

- **Every additional 100 teachers accessing Teacher Fee Refund Scheme (on basis of current expenditure on courses)**

The average grant per teacher in 2013/2014 school year was €710. Based on 2014 each 100 additional teachers would cost €71,000

4.6 To set out in detail the cost of

- **Every 10 additional NEPs psychologists in the education system**
€700k p.a.
- **Every 10 additional Speech and Language Therapists in primary education** – The employment of Speech & Language Therapists is a matter for the HSE
- **Restoring all guidance teacher posts in post primary education (based on pre 2012 allocation).**

Approximately 500 posts involved here at a full year cost of €32m.

4.7 To set out in detail the costs associated with every 100 additional apprenticeship places supported by the State (on the basis of current provision).

It is estimated that every additional 100 Apprentices would cost in the region of €1m based on a four year apprenticeship.

4.8 To set out in detail the costs associated with every 100 additional apprenticeship places supported by the State {on the basis of current and proposed new apprenticeships (per Apprenticeship Council)}

It is estimated that every 100 apprentices as per the Apprenticeship Council would cost up to €1m depending on the length of the apprenticeship

4.9 To set out the likely savings from a 15% reduction in administration from each of the following agencies:

| Organisation | 2015 Allocation | 15% Reduction |
|---------------------------------------------------------------------|-----------------|---------------|
| An Chomhairle um Oideachais Gaeltachta agus Gaeldscolaiochta (COGG) | €1.350m | €0.2m |

| | | |
|-------------------------------------------------------------------------------------------------------------|-------------------------------|----------------|
| Commission to Inquire into Child Abuse | €3.3m | €0.5m |
| Education Finance Board | No longer in existence | |
| Grangegorman Development Agency | €2.895m | €0.4m |
| Irish Research Council | €1m approx. | €0.15m |
| Higher Education Authority | €5.394m | €0.8m |
| Léargas | €1.132m | €0.17m |
| National Council for Guidance in Education | €0.506m | €0.08m |
| National Council for Curriculum and Assessment | €4.58m | €0.7m |
| National Council for Special Education | €8.075m | €1.2m |
| Quality and Qualifications Ireland | €5.794m | €0.9m |
| Residential Institutional Redress Board (<i>including Residential Institutions Review Committee</i>) | €10.055m | €1.5m |
| Residential Institutional Statutory Fund Board | Not funded from the Exchequer | |
| Skillnets Ltd (<i>Note: Skillnets is funded through the National Training Fund and not the Exchequer</i>) | €2.4m | €0.36m |
| SOLAS | €23.088m | €3.5m |
| State Examinations Commission | €64.431m | €9.7m |
| The Teaching Council | Nil | Self-Financing |

4.10 The cost of providing all primary school children (2nd-6th class) with access to their own electronic device with access to the internet.

Based on current primary school numbers and a €300 cost for a device, the cost to provide all 2nd-6th class students with a device would be €123m.

4.11 The cost of providing all secondary school pupils with access to their own electronic device with access to the internet.

Based on current post primary student numbers the cost to provide all post primary students with a device would be €112m

4.12 To sustain and develop resources tackling educational disadvantage.

| PROPOSAL | Comment / Costs |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The cost of the DEIS scheme, the number of schools, pupils, teachers in DEIS at primary and post primary level; the approximate cost per pupil of DEIS broken down by DEIS band 1, 2 and 3.</p> | <p>The current (2015/16) cost to DES of the DEIS scheme is estimated at €130m . This figure includes the DEIS Grant, additional teaching costs; and HSCL, SCP (DCYA) and School Meals(DSP);</p> <p>The number of DEIS schools: Primary Urban Band 1 – 191; Primary Urban Band 2 – 139; Rural Primary – 316; Post Primary – 190</p> <p>The no. of eligible pupils in DEIS schools – Primary – 101,848 Post Primary – 67,588</p> <p>The no. of teachers in DEIS schools (applies to full enrolment not just eligible pupils) – Primary Urban Band 1 – 2271; Primary Urban Band 2 – 1603; Rural Primary – 1078; Post Primary – 5706</p> <p>The approximate cost per pupil in each of the DEIS school categories of Primary Urban Band 1, 2, Primary Rural and Post-Primary is:</p> <p>Primary Urban Band 1 - €1707 Primary Urban Band 2 - €516 Rural Primary - €339 Post Primary - €479</p> |

The cost of introducing a pupil premium scheme (using UK scheme as basis) to the 1,600 schools and local organisations in the School Meals scheme; the pupil premium to be calculated on the cost per pupil of the DEIS Band 2 scheme; the cost for introduction to all 1600 groups; the cost of introduction to the groups not in the existing DEIS scheme.

4.13 To maintain and improve Continuous Professional Development

To set out in tabular format, the current cost of CPD in broken down by primary and post primary; the percentage of teachers attending broken down separately by primary and post primary; the minimum level of CPD a teacher must do and the cost of; the approximate cost of CPD per primary teacher and per post primary teacher.

Current Cost of CPD broken down between Primary and Post Primary

| | Total | Primary | Post Primary |
|-------------------------|----------|---------|--------------|
| 2014 | €23.404m | €9.518m | €13.886m |
| 2015 (Estimated) | €25.1m | €10.3m | €14.8m |

CPD Units provided by Sector*

| | Total | Primary | Post Primary |
|-------------|--------------|----------------|---------------------|
| 2014 | 170,719 | 89,702 | 81,017 |
| 2013 | 167,940 | 90,223 | 77,717 |

*Teacher Education Section does not retain statistics on individual teachers. The figures included here are the number of interactions. The actual number of teachers is not recorded in these figures.

Minimum level of CPD for a teacher

CPD is not currently compulsory. The Teaching Council Acts 2001 to 2015 provide that the Council may make regulations to require a teacher to satisfactorily complete a programme of continuing professional development accredited by the Council as a condition of renewal of registration.

Section 39 of the Teaching Council Act, which has not been commenced, enables the Council to review and accredit programmes of continuing professional development.

The Teaching Council (Amendment) Act 2015 has been recently been passed by the Oireachtas. It is intended to commence Section 39 as soon as possible, in consultation with the Teaching Council. In this regard the Council has drafted a national framework for teacher CPD on which it is consulting with all stakeholders. The Council expects to agree the framework in the first half of 2016.

Cost of CPD per teacher

| | Total | Primary | Post Primary |
|--------------------------------|-------------------------|-------------------------|-------------------------|
| 2014 expenditure | €23.404m | €9.518m | €13.886m |
| 2014 CPD Units provided | 170,719 | 89,702 | 81,017 |
| | €137.10 per unit | €106.11 per unit | €171.40 per unit |

A unit of CPD is an engagement with a teacher and can range from a two hour evening workshop to a post graduate programme. Amongst other examples of same include full day workshops, school visits from support service personnel or online provision.

4.14 The current cost of the Education Welfare Board; the number of staff working within its remit; the cost of cutting administration costs by 15%; the cost for every 10 additional Education Welfare Officers (originally sent to CYA – sent to Education on 29/9) (13)

The Educational Welfare Board no longer exists. Educational Welfare Services are now provided as part of Tusla, the Child and Family Agency. The forecast annual net expenditure (Pay+Nonpay-Income) for 2015 on Educational Welfare Services is €6.986m. This is based on the expenditure year to date to August 2015 annualised for a full year. The WTE working in EWS services at end Aug was 74.3.

Administrative costs are forecast at €2.895m for 2015. This is based on the assumption that the salary cost of EWO officers are treated as "frontline" or non-administrative and are therefore

excluded. 15% of this administrative cost equates to €434,250. The mid-point of the EWO scale is €47,666 and therefore 10 additional EWOs would cost €476,660.

4.15 The estimated cost of extending the NEPs service (currently available to primary and post primary schools) to ECCE.

The focus of the NEPS since its establishment has been on the provision of educational psychological services to primary and post-primary schools and to the ongoing embedding and improvement of processes supporting teachers therein.

NEPS has no remit in providing service to the Early Childhood Care and Education system (ECCE) which operates within the ambit of the Department of Children & Youth Affairs. Furthermore it has had no discussions with DCYA in relation to the provision of such service nor has it examined the parameters and nature of the service to be provided within the context of the existing support structures in place for that system or in planning.

Given that ECCE operates within a wholly different structure it would be difficult to apply the costing norms and service delivery models used in the school system nor could it be done without detailed discussions with DYCA in relation to the aforementioned scoping of demand.

I can inform you that the cost of employing and supporting one full-time Educational Psychologist is in the region of €70,000 per annum (net of Employers pension contribution).

4.16 The current overall budget spent for disability by the State (previous DPER estimate of approx. €5bn) and to provide a breakdown of where expenditure (and scheme) falls; what the annual cost for the next 5 years will be in each area of expenditure (and scheme) on basis of demographic forecasts and existing services and entitlements being retained.

The number of school leavers forecast annually for the next five years; the number of day school places available to them annually for same period; the cost of ensuring a place for every school leaver into the existing (or extended) facilities annually for the next five years;

See Appendix 2 – Disability Spend Table.

4.17 The cost of introducing one day administration/classroom substitution for teaching principals in primary schools; the number of teaching primary principals in Ireland (include breakdown of the number of teachers in the schools).

N.B. To calculate this on the basis of the current number of teaching principals, a substitute primary teacher being employed on a fixed term contract working one day a week across 5 schools grouped together. Please also take account of school year and existing 'release time' for principals.

In the current school year there are 1849 teaching principals in primary schools. There are 6396 classroom posts in these schools (including the principals).

The cost of introducing one day administration/classroom substitution for teaching principals in primary schools; the number of teaching primary principals in Ireland (include breakdown of the number of teachers in the schools).

N.B. To calculate this on the basis of the current number of teaching principals, a substitute primary teacher being employed on a fixed term contract working one day a week across 5 schools grouped together. Please also take account of school year and existing 'release time' for principals.

| | | | |
|--------------------------------------------------------------------------------------------------------------------------------------|-------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Cost of increasing teaching principals administration dates to: a. one day per week. b. one extra day per month. | €4.8m | €14.5m | Calculated on the basis of 39 weeks in the school year. Monthly cost done on basis of 10 months per school year. An additional circa 242 posts required to implement a) and circa 108 post to implement b). |
| | €2.2m | € 6.5m | |

4.18 To increase the uptake of physical education at primary school level.

For primary schools, a General Purpose (GP) room would be the area where school activities such as PE, assemblies, music, drama etc. would occur. In the case of existing schools that would not have a GP room, the general costs of providing this additional accommodation would be as follows:

For an 8 classroom/ 16 classroom school, the grant for a standard GP room (including toilets, servery, storage) i.e. 240 sq mtrs, amounts to almost €400,000. For a 24 classroom/ 32 classroom school, the grant for a GP room is almost double at c€750,000.

Note that depending on the individual school i.e. confined site, other refurbishment costs that might arise, costs may be higher

4.19 Similar to the response of October 8th but reflecting Budget 2016 changes, to set out in tabular form how many additional (separately primary and post primary) teachers will be required annually between September 2016 and September 2021 to maintain the current pupil teacher ratio in primary and post primary schools, and the costs (set out) associated with it?

Primary Teacher Projections 2016 -2021

| Year | Increase in pupil numbers each year | Posts required to maintain PTR | Cost €m |
|------|-------------------------------------|--------------------------------|---------|
| 2016 | 7,959 | 740 | 44.4 |
| 2017 | 6,469 | 360 | 21.6 |
| 2018 | 4,907 | 270 | 16.2 |

| | | | |
|------|--------|------|-------|
| 2019 | -458 | -25 | -1.5 |
| 2020 | -5,516 | -305 | -18.3 |
| 2021 | -8,710 | -481 | -28.9 |

Notes:

Staffing Schedule is the number of pupils required for the allocation of an additional teacher. The Pupil Teacher Ratio (PTR) is less due to the existence of resource teacher posts, non-classroom posts etc...

The staffing schedule for 2016/17 school year will operate on the basis of 27:1 with lower thresholds for DEIS Band 1 schools.

Calculations above done on the basis of 18:1 (published PTR 16.2:1 excluding resource teachers).

Post Primary Teacher Projections 2016 -2021

| Year | Increase in pupil numbers year on year | Posts required to maintain PTR | Cost €m |
|-------------|-----------------------------------------------|---------------------------------------|--------------------|
| 2016 | 5,792 | 920 | 58.9 |
| 2017 | 4,526 | 290 | 18.2 |
| 2018 | 3,535 | 230 | 14.5 |
| 2019 | 6,397 | 410 | 25.8 |
| 2020 | 8,493 | 515 | 32.4 |
| 2021 | 8,859 | 568 | 35.8 |

Notes:

From September, 2016 at post-primary level the allocation schedule will improve by .3 points, from 19:1 to 18.7:1. The position of DEIS schools will be further enhanced by a change to an allocation on the basis of 17.95:1.

PTR applied to calculate increase in teacher numbers is 15.6 (published PTR 14.1 excluding resource posts).

4.20 The current teacher appointment threshold for 2 teacher, 3 teacher and 4 teacher schools

| School size | Number of schools current 15/16 school year | Current appointment threshold | Current retention threshold | Improved appointment threshold for 2016/17 school year | Improved retention threshold for 2016/17 school year |
|-------------|---------------------------------------------|-------------------------------|-----------------------------|--------------------------------------------------------|------------------------------------------------------|
| 2 teacher | 571 | 20 | 19 | 19 | 18 |
| 3 teacher | 404 | 56 | 53 | 55 | 52 |
| 4 teacher | 434 | 86 | 83 | 85 | 82 |

4.21 The cost of reducing the teacher appointment thresholds in 2 teacher, 3 teacher and 4 teacher schools from the current rate by

- a. 1 pupil
- b. 2 pupils
- c. 3 pupils
- d. 4 pupils
- e. 5 pupils

| Reducing the current teacher appointment thresholds in 2,3, and 4 teacher schools by number of pupils below | Estimated number of posts required | Estimated annual cost based on €60,000 per annum per post |
|-------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------|
| 1 | 15 | €.9m |
| 2 | 38 | €2.3m |
| 3 | 60 | €3.6m |
| 4 | 80 | €4.8m |
| 5 | 110 | €6.6m |

4.22 To set out the cost of doubling the number of apprenticeships to 31,000 and increasing the number of traineeships to 19,000 as outlined in the Department of Education's Skills Strategy.

The total annual cost of 50,000 starters over 5 years is estimated at €152 million per annum. This compares to an estimated 2015 out turn of €83 million on apprenticeship and traineeship programmes (this includes apprenticeship costs in Institutes of Technology as well as costs in the further education and training sector). These figures are based on the following assumptions:-

- 50,000 starters over 5 years = 10,000 starters p.a.
- We have estimated that this would break down as 5,000 annual registrations in existing apprenticeship trades, 1,500 annual registrations on new apprenticeships and 3,500 annual starts on traineeships.
- Annual spend on traineeship in 2014 was €30.7 million with starts of 2,664. For traineeship, using an annual cost per start of €11,000, the overall annual cost of 3,500 starts would be €40 million – traineeships are generally of approximately one year’s duration.
- The overall annual cost per registered apprentice in existing apprenticeship, including provision costs in Training Centres and IOTs and off-the-job allowances is €6,700
- Annual registrations of 5,000 on those programmes would produce an apprenticeship population of approximately 15,000 (programmes are of much longer duration than traineeships). This would result in an overall annual cost of €100 million.
- The estimated annual cost per registered apprentice on new apprenticeships is €3,500
- Annual registrations of 1,500 would produce a population of approximately 3,500 in new apprenticeships (some of the new apprenticeships are of shorter duration than existing apprenticeships but still at a minimum of 2 years). This would result in an overall annual cost of €12 million.
- The net overall additional cost across the education and training system would be reduced where increased registrations on apprenticeships and traineeships resulted in any reduced provision on other programmes in related areas.

5. Environment, Community and Local Government

5.1 The cost of continuing to fund the existing Pyrite Remediation Scheme in line with projected demand.

Briefing Note – Pyrite Remediation Scheme

1. Report of the Pyrite Panel (July 2012)

- The former Minister for Environment, Community and Local Government established an independent Pyrite Panel in September 2011 to explore options for a resolution to the problems caused by the presence of pyrite in the subfloor hardcore material which had manifested in dwellings in a number of local authority areas. At that time, figures of 60,000 - 80,000 dwellings were being widely reported in the public domain from a variety of sources without any systematic attempt at substantiation.
- The Pyrite Panel undertook a desktop study, in conjunction with stakeholder consultations, to establish certain facts in relation to the potential exposure to pyrite problems. The information was gathered from a number of sources including local authorities, structural guarantee providers, representatives of homeowners, private builders, construction professionals and public representatives and was cross referenced to verify, as far as practicable, its validity.
- Seventy four estates were identified to the Pyrite Panel as possibly having pyrite. All of those estates were located in the five local authority areas of Dublin City, Fingal, Kildare, Meath and Offaly. At that time, the Pyrite Panel were not made aware of any instances of pyrite arising in hardcore material occurring outside of those five local authority areas although information subsequently came to light in mid-2014 of pyritic heave in both Dun Laoghaire-Rathdown and South Dublin County Councils.

2. Scale of the problem

- The Pyrite Report gave a total figure of 12,250 dwellings as being located in the seventy four estates where pyrite had been identified; however, this figure cannot be looked at in isolation and consideration has to be given as to how this figure was arrived at.
- At the outset, the Pyrite Panel reported that a total of 1,100 dwellings had been remediated, or were in the process of remediation, at that time; this figure is likely to have increased since then. In addition, the total number of pyrite-related claims that had been made to the main guarantee providers at that time (i.e. March 2012) was approximately 850.
- In a number of estates there was very limited evidence of pyrite problems but nonetheless those estates were included to ensure that the figures for potential exposure took account of all possible situations. Accordingly, the Pyrite Panel included all ground floor dwellings in estates which were identified as having a potential risk to pyrite (irrespective of whether there was any evidence of pyritic damage or not). For example, in a number of estates (23 estates with 3,250 ground floor dwellings) there was little or no evidence of pyrite, and no claims had been submitted to warranty providers, but nonetheless those estates were included to ensure that the figures for potential exposure took account of all possible situations.
- As indicated earlier in section 2, a number of private dwellings in an estate in Dun Laoghaire-Rathdown County Council were identified as having pyrite in mid-2014. The estate comprises

some 500 units although the dwellings affected by pyrite would appear to belong to the latter stages of the development. In addition, an estate of some 113 dwellings was also identified in mid-2014 as having pyrite-related problems in South Dublin County Council. As matters currently stand, it is understood that the number of applications received under the pyrite remediation scheme in respect of these two estates is small.

- It is most certainly the case that not all dwellings in the estates identified to the Pyrite Panel as having a potential risk of pyrite problems will manifest pyritic heave leading to significant damage and there are a number of factors in support of this assumption, i.e. the fact that the hardcore material in housing estates may have come from multiple sources, different builders may have been involved in many of the estates and some estates were built over a period of time.
- Having regard to the number of dwellings reported by the Pyrite Panel as being in need of immediate repair as at end March 2012 (i.e. the 850 dwellings) and having regard to other dwellings may have developed significant damage over the past 3 years, it is estimated that up to 1,000 dwellings may fall within the scope of the pyrite remediation scheme.

3. Pyrite Resolution Act 2013

- The Pyrite Resolution Act 2013 provides for the establishment of the Pyrite Resolution Board and for the making of a pyrite remediation scheme to be implemented by the Board with support from the Housing Agency.
- The pyrite remediation scheme (first adopted February 2014) has been prepared in accordance with the provisions of the Act and is reflective of the conclusions and recommendations of the report of the independent Pyrite Panel – it is a scheme of last resort and its application is restricted to the dwellings affected by significant pyritic damage in the five local authority areas identified in the report and the additional two local authority areas identified last year.
- The eligibility criteria for inclusion in the scheme are as follows: -
 - dwellings located within the counties of Kildare, Meath and Offaly and the administrative areas of Dun Laoghaire-Rathdown, Fingal and South Dublin County Councils and Dublin City Council;
 - dwellings constructed and completed between 1 January 1997 and 12 December 2013;
 - dwellings having a damage condition rating of 2 and where the damage is verified as attributable to pyritic heave;
 - an owner/joint owner can make an application in respect of one dwelling (although there are exceptions where the exclusion of a dwelling would cause damage to an adjoining dwelling) and the dwelling must have been purchased before 12 December 2013;
 - the applicant must be able to show, to the satisfaction of the Pyrite Resolution Board, that he/she does not have available any practicable option, other than under the pyrite remediation scheme or the use of his or her own resources, to remediate or secure the remediation of the dwelling.

4. Estimated costs of remediation

- As matters stand, approximately 880 applications have been received under the pyrite remediation scheme of which 20 have been closed for a variety of reasons, 79 have been

completed, 127 are under remediation and 568 have been accepted into the scheme (this latter figure is inclusive of the 127 under remediation). The remaining 210 or so applications are still in the initial application and validation / assessment and verification phases of the scheme and are being progressed.

- Assuming all 210 or so remaining applications are validated and accepted into the scheme, a total of 860 dwellings will be in need of remediation; based on the work that has already been undertaken, which was subject to competitive tendering and therefore is reflective of the current market value for such work, the total estimated cost of the pyrite remediation scheme will be approximately €54 million. This is inclusive of all ancillary costs, i.e. alternative accommodation, removal and storage of furniture and the recoupment to homeowners of Building Condition Assessment fees. This equates to an average cost of circa €63,000 per dwelling.
- The estimated cost of remediating 1,000 dwellings will be in the region of €63 million based upon an average cost per dwelling of €63,000. It should be noted that applications continue to be received at a rate of circa 5 per week which would indicate that the figure of 1,000 dwellings may be reached by end Q1 2016 if the rate continues to remain steady over the next number of months.
- It should be noted that the figures provided are estimates premised upon the data that is currently available under the scheme and also on the assumption that the scheme will not be extended beyond dwellings with a Damage Condition Rating of 2. Ultimately, the total cost of the pyrite remediation scheme will be determined by the final number of applications received in tandem with the outcome of the competitive tenders that for professional services and remediation works required to remediate the affected dwellings.

5.2 The cost of the senior alert scheme annually and a breakdown by age cohort of the number of recipients of the grant annually and the percentage of overall elderly population this represents in each cohort;

- Following is a table setting out the last 5 years of funding and the number of beneficiaries who benefited under the Scheme. We do not have a breakdown by age cohort, the following figures are for people who are 65 and over.

| Year | Funding | Beneficiaries |
|-------------|----------------|----------------------|
| 2010 | €1,947,820 | 6,306 |
| 2011 | €2,473,242 | 7910 |
| 2012 | €2,524,448 | 9,142 |

| | | |
|------|------------|--------|
| 2013 | €2,321,251 | 10,597 |
| 2014 | €1,705,762 | 7,120 |

5.3 Recognising rising demographics, the cost of providing every person over 80 with a grant in 2017;

It is important to note that this is a demand led scheme and only people who meet the qualifying criteria and apply under the Scheme are provided with the Seniors Alert monitored equipment.

The 2011 census states that there were 535,393 persons 65 and over at that time and the number of people who benefited under the Scheme since 2010 to end 2014 is 41,075 which is just over 7.6%.

The projected figure for persons aged 80 and over to receive monitored alarms for end of 2017 is approximately 100,000, (we are basing this on an approximate from CSO on 2013 figures of 134,685 – 41,075 beneficiaries to end 2014 which is 98,925. Approximately 100,000 persons over 80 receiving monitored alarms, at a unit cost of €250 would result in an approximate overall cost of €25m.

5.4 Recognising rising annual demographics, the cost of providing every person over 80 with a grant over a three year basis commencing in October 2016

Approximately €8m per year over a three year basis. These figures are based on approximate predictions.

5.5 To calculate the cost of 5.3 and 5.4 above for every person over 75.

The projected figure for persons aged 75 and over to receive monitored alarms by end of 2017 is approximately 200,000 and we are basing this on an approximate from CSO on 2013 figures 240,514 - 41,075 beneficiaries to end 2014 which is 199,439. Approximately 200,000 persons aged 75 and over in 2017 receiving monitored alarms at a cost of €250 per unit would result in an approximate overall cost of **€50m**.

Approximately €16m per year over a three year basis based on certain variables and may not portray an accurate position.

6. Foreign Affairs

To reach the UN target of spending 0.7% of Gross National Product (GNP) in Official Development Assistance.

6.1 To provide the annual amount of spending required for the State to reach 0.7% of Gross National Product (GNP) in Official Development Assistance (ODA) in each of the years 2016-2021.

Based on anticipated GNP figures for 2016 the ODA would need to increase by circa €675M to achieve the 0.7% target.

If there is no increase in the ODA in financial terms in 2016 the ODA percentage will be about 0.33%.

Just to note that as the ODA percentage is less than half of the target at present to achieve the target the ODA will need to more than double.

An extra €675M in 2016 would get us to the 0.7% target but then in the subsequent ODA would need to increase to reflect GNP increases otherwise the percentage would decline.

7. Health

7.1 Assuming the same terms, conditions, services as per Under 6s contract, please set out the cost of

- **Extending Free GP care to 6-11 year olds**
Estimated cost is €39m.
Assumed 440,000 5-11 year olds and that 50% already have a medical or GP visit card.
Avg. cost of a GP visit card for 0-6 year olds used.
- **Extending Free GP care to 12-17 year olds**
Estimated cost is €40m
Assumed 350,000 12-17 year olds and that 45% already have medical or GP visit cards.
Avg. cost of a GP visit card for 0-6 year olds used.
- **Providing Free GP cards to those in receipt of full carer's allowance (assumption that a percentage are already in receipt)**
Estimated cost is €4m.
Assumed 44% of persons in receipt of full time carers allowance already have a medical or GP visit card.

7.2 The cost of extending full medical card entitlement to all over aged 80

As of September 2015, 130,000 people aged 80 or over had a medical card and 16,000 had a GP visit card. Therefore the latter group are the ones who would stand to benefit under this proposal.

As all persons aged 70 or over are already entitled to a GP visit card, the principal benefits which would accrue, and which would therefore increase the cost, if this cohort had full eligibility are:

- No charge for prescription drugs
- Exemption from the acute hospital inpatient charge and the Emergency Department charge (€100) for persons who attend without a GP referral
- Aids and appliances free of charge
- Dental services and treatments under the Dental Treatment Service Scheme
- Optical services available to medical card holders

At the same time, there would be savings in expenditure under the Drugs Payment Scheme and income arising as medical card-holders are subject to a prescription charge of €2.50 per items dispensed, subject to a monthly ceiling of €25 per person or family.

Overall, the net cost of extending full medical card entitlement to all over aged 80 is estimated to be €15m. This figure is not adjusted for the prescription charge income and the Acute Hospital inpatient charge forgone.

A further caveat – the costs provided is based on the current population of those over 80, but the number of people in this group is growing.

7.3 The costs of increasing by 33%, 50%, 100% the eligibility threshold for a medical card for those over 80 years old.

As of September 2015, 130,000 people aged 80 or over had a medical card and 16,000 had a GP visit card. Therefore the latter group are the ones who would stand potentially to benefit from any easing of the eligibility threshold. The gross income limit thresholds for an over-70s medical card apply to persons aged 70 years and older and are currently €500 per week for a single person and €900 per week for a couple. Applying a 33%, a 50% and a 100% increase in thresholds would give revised thresholds as follows:

| Current | + 33% | + 50% | + 100% |
|---------|-------|-------|--------|
| € | € | € | € |
| 500 | 665 | 750 | 1,000 |
| 900 | 1,197 | 1,350 | 1,800 |

To estimate the costs of any of these measures would require information on the gross income position of the cohort of the population aged over 80 and who do not currently qualify for a medical card. As this information is not currently held by the Department, it is not possible to assess the effect of any of the adjustments suggested.

However, as can be seen from the answer for the preceding question, the maximum cost of providing full medical cards to those over 80 is €15m. Increasing the threshold incrementally as suggested will increase the cost, but only to a maximum of this level.

7.4 The cost of the reversal of FEMPI measures for the health sector by profession

The total cost of reversal of FEMPI measures is in the region of €315m (rounded to nearest million).

| | |
|------------------------------------------------|----------|
| Contractors | €m |
| GPs | 121 |
| Pharmacists | 186 |
| Dentists | 3 |
| <i>Opticians & Ophthalmologists</i> | 2 |
| <i>Psychiatrists</i> | 1 |

| | |
|--------------------|------------|
| Smearmakers | 2 |
| Total | 315 |

7.5 To set out in detail the cost and any associated cost with every €5 reduction in the monthly threshold in the Drugs Repayment Scheme (currently €144 per month)

The estimated cost of reducing the current monthly threshold of €144 to €139 would be a minimum of €5m. Each further reduction of €5 will have an increasing cost, as more people exceed the threshold.

Overall, the total “out of pocket” spending on drug, prescribed and non-prescribed, is estimated to be €822m (source: CSO SHA returns 2013). Therefore, eliminating the threshold entirely would have a maximum cost lower than this total amount.

7.6 The cost of capping the annual cost to the taxpayer (currently €1728) of the Drugs Repayment Scheme at

€1,500

€1,250

€1,000

€900

€750

€600

In answering this question, we have assumed that the monthly threshold remains at €144. Reducing the annual cap therefore impacts:

- *Those people whose current spending exceeds the threshold each month, who will benefit in full by the difference between the current theoretical annual cap of €1,728 and any proposed cap.*
- *Those people whose monthly spending does not typically, if ever, exceed the monthly threshold, but where the total annual spend exceeds the proposed annual cap.*

There are on average 100,000 claimants per month. This includes persons who always exceed the monthly threshold, but also individuals who have exceeded it on a one off basis. Given that claimants have to register for DPS, we can make an assumption that the majority are regular claimants

On this basis, the minimum cost of introducing an annual cap is as set out below. This does not take into account people who currently do not claim as their regular monthly amount is below the current monthly threshold, but whose total annual spending would exceed the proposed annual cap. The number of this category will increase as the cap is reduced.

| Annual Cap | Cost (€m's) |
|-------------------|------------------------|
| 1500 | 23 |
| 1250 | 48 |
| 1000 | 73 |
| 900 | 83 |
| 750 | 98 |
| 600 | 113 |

Applying both a) and also b) above to the over 70s only.

This information is not readily available

7.7 To set out the cost of vaccinating all newborns with both Meningitis B and rotavirus vaccine from mid-2016

The estimates for the Primary Childhood Immunisation Programme (PCIS) are based on 70,000 births per year. Consequently, the estimated costs of the introducing vaccines into the PCIS mid-year assumes 35,000 births in that six month period. Rotavirus and Meningitis B vaccination are treated separately for the purposes of estimating costs. The total cost of introducing both can be calculated by adding together the costs of both vaccines.

1. Rotavirus.

The introduction of Rotavirus vaccine will also require the replacement of separate Hib and Meningococcal C (Men C) vaccines with a single combined vaccine which will incur an additional cost above those for Rotavirus. The procurement costs are €2.45 million (Rotavirus vaccine - €60 per course x 35,000 (births in six month period) = €2.10 million and Combined Hib & Men C - €10 x 35,000 = €0.35 million). There will be once-off costs for education and information materials of €0.85 million in the first year. This makes the estimated cost of the introduction of Rotavirus vaccination in mid-2016 €3.30 million. The full year cost in 2017 is estimated to be €4.9 million.

2. Men B

The estimated costs of Men B is based on a maximum procurement cost of €30 per dose and administration payment to GPs of €10 per dose - total cost €40 per dose. The schedule includes 3 doses per child. The estimated cost of the introduction of Men B in mid-2016 is €4.2 million. The full year cost in 2017 would be €8.4 million.

3. Rotavirus & Men B

The total cost of the introduction of both Rotavirus and men B in mid-2016 would be €7.5 million (€3.3 million for rotavirus and €4.2 million for Men B). The full years costs in 2017 would be €13.3 million (€4.9 million for Rotavirus and €8.4 million for Men B).

7.7 The cost of extending the HPV vaccination scheme to all teenage boys from mid-2016

There is no recommendation from NIAC concerning the inclusion of HPV for boys in the schools vaccination programme. The only HPV vaccine licensed for use in boys requires two doses at least 6 months apart for those less than 15 years of age. There will be a once-off cost of €0.01 million for information and education materials in the first year. The current cost of HPV vaccine is €28.29 per dose (inclusive of VAT). The HSE estimates that there are 31, 200 boys in the cohort which would be vaccinated if it were introduced in July 2016 and the estimated cost of vaccine procurement would be €1.77 million. The HSE has estimated the additional staffing costs for the schools vaccination programme arising from the introduction of HPV for boys in July 2016 would be €1.87 million. This suggests a total cost of €3.64 million for the introduction of HPV for boys in mid-2016.

7.8 To set out in detail

a) the current waiting list (inpatient and outpatient) numbers and waiting times

Available on the website of the NTPF at www.ntpf.ie

b) the cost to reduce and sustain both waiting lists

- at 15 months
- at 12 months
- at 9 months

and any additional resources/staffing costs that may occur in maintaining these timeframes.

Waiting lists are symptomatic of an imbalance in patient flow: to reduce maximum waiting times requires additional staff / infrastructure / theatre capacity / specialist care availability such as ICU / HDU, in order to provide high standards of patient care and safety.

Significant inroads have been made into waiting lists during 2015 as a result of the Maximum Waiting Time Initiative introduced by the Minister for Health in January 2015. This initiative, taking into account current pressures on acute hospital services, put in place maximum permissible waiting times for inpatient and day case treatment and outpatient appointments of 18 months by 30 June and 15 months by year end. Funding of €51m was provided to the HSE to maximise capacity across public and voluntary hospitals as well as outsourcing activity where the capacity was not available to meet patient needs, in order to achieve the stipulated maximum waiting times. To maintain this level of activity would require similar investment annually; to address the anticipated demographic

increases in patient volume and treatment complexity would require additional and sustained investment.

Discussions with the Hospital Pricing Office confirm the view of the Department that it is not possible to provide accurate costings for the arbitrary reduction of waiting lists, as the individual care requirements of each patient are likely to differ – some cases will be straightforward, whereas others will require the management of complexities such as co-morbidities, ICU/HDU care requirements, involvement of multiple medical & surgical personnel etc., all of which will impact on the length, complexity and cost of their hospital stay. Capacity, availability of appropriate medical / surgical specialist staff, availability of specialist infrastructure, and patient choice are other factors which will affect waiting lists, and which cannot be accurately reflected in costings.

Bearing all of the above in mind, a very basic estimate of the figures requested by D /PER would indicate costs as below:

| | | | |
|------|-------------------------|-----------------------|--------------------|
| Type | Over 15 Months Nov 2015 | Cost per patient in € | Cost Per List in € |
| IN | 1303 | € 4,309 | € 5,614,627 |
| DAY | 1990 | € 564 | € 1,122,360 |
| OUT | 21282 | € 651 | € 13,854,582 |
| | | | € 20,591,569 |
| Type | Over 12 Months Nov 2015 | Cost per patient in € | Cost Per List in € |
| IN | 2744 | € 4,309 | € 11,823,896 |
| DAY | 5035 | € 564 | € 2,839,740 |
| OUT | 48488 | € 651 | € 31,565,688 |
| | | | € 46,229,324 |
| Type | Over 9 Months Nov 2015 | Cost per patient in € | Cost Per List in € |
| IN | 4954 | € 4,309 | € 21,346,786 |
| DAY | 9882 | € 564 | € 5,573,448 |
| OUT | 89566 | € 651 | € 58,307,466 |
| | | | € 85,227,700 |

Notes:

- Inpatient and Day case costings are based on an average of the individual procedure costs across all specialties
- Outpatient costings are based on a cost of €120 for an outpatient appointment and an average cost for subsequent Inpatient or Day case procedure where required: based on a conversion rate of 24%, the generic outpatient weighted cost, as calculated by the HSE, is €651
- Each of these figures is based on information provided to the Department about the implementation of fines, as fines were calculated for the volume of procedures which exceeded the maximum waiting time
- New figures for December waiting lists will be available on Fri 8th January 2016. These figures show much reduced waiting list numbers and this will have a consequent impact on costings

7.9 On basis of demographics for the next 5 years, set out in tabular format

- the cost of providing home help, homecare packages, respite annually;

Projected cost of proving home help, home care packages, respite, Fair Deal annually (figures rounded)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Estimated Population over 65 | 604,825 | +3.2% | +3.17% | +3.39% | +3.17% | +3.29% |
| Home Help | €185m | €191m | €197m | €204m | €210m | €217m |
| Home Care Packages | €135m¹ | €139m | €144m | €149m | €153m | €158m |
| Total | €320m² | €330m | €340m | €352m | €363m | €375m |
| Short Stay Respite³ | 554 beds €35m | 572 beds €36m | 590 beds €37m | 610 beds €38m | 629 beds €39m | 650 beds €41m |
| NHSS (Fair Deal) | €993m | €1,004m | €1,019m | €1,005m | | |

7.10 The savings that could be estimated if a co-payment of €5 per hour was made for those in receipt of more than 25 hours per week home help/ homecare package.

¹ HCP includes an additional allocation of €5m provided as part of the Delayed Discharges Initiative

² It is estimated current provision for Home Help Hours and HCP's fall short of required provision by 10%. Baseline figures for Home Help and HCP's have been adjusted to reflect this estimate of unmet need- *Review of the Nursing Homes Support Scheme, a Fair Deal 2015*.

³ The HSE provides a total of 1,866 beds of which 554 beds are designated for respite care. The average weekly cost for short stay beds is €1,200 (NHSS Review). These are substantially financed by the State with patients subject to a charge only where in-patient services in excess of 30 days has been provided over the previous 12 month period. It should be noted the HSE report a significant deficit of short stay beds against agreed norms across the country.

Home Helps/Home Care Packages

- *The Home Help Service generally provides up to 5 hours service per week*
- *Homecare Packages comprise 6 or more hours per week and they can include community nursing, therapy services, aids & appliances etc. services, i.e. therapies etc. The average weekly value to an individual benefitting from a Standard HCP during 2014 was €135.*
- *In light of the above the savings that may be achieved in the above scenario may not be worth the administrative cost*

7.11 The savings estimated if Fair Deal scheme excluded low dependency needs from assessment of scheme.

The numbers of patients with low dependency needs is decreasing year on year as the assessment criteria for nursing home care has become more stringent under the Nursing Homes Support Scheme. This reduction in the number of people with low dependency needs being admitted to nursing homes is reflected in the decreasing average length of stay in nursing homes. Many of those low dependency patients currently in nursing homes were in situ prior to the introduction of the Nursing Homes Support Scheme.

7.12 The approximate cost of every 100 homecare package; the approximate number of people homecare packages that this will benefit?

Services for Older People

The funding provided in 2014 for Home Care Packages (HCP) was €130m. At 31 December 2014 some 13,200 clients were in receipt of a package and the average cost per person per week was €189. Almost 18,600 people benefitted from a package during 2014.

Services for People with a Disability

Each hour of Home Support or personal assistant support costs €23 / €25.

If there was 100 home care packages available allocating 30 hours per week per person the cost would be €3,588,000. 30 hours per week would only give a person with a disability 4 or 5 hours per day. Additional costs are incurred on Saturdays and Sundays and when relief is required for staff annual leave etc so the cost would be closer to €5 million.

If 100 individuals received 70 hours per week, i.e. 10 hours per day the cost would be €8,372,000. Similar to above taking weekend cost per hour and relief and annual leave the cost would be approx. €10 million

If an individual required 24 hour support the cost person would €201, 480 and if this was available to 100 people with disabilities the cost would exceed €20 million.

All of the above only provide for basic care and do not include any additional supports from nursing or Allied Health professionals.

7.13 The annual running cost for hospices in Kerry, Mayo, Waterford and Wicklow.

The projected annual running cost for hospices in Kerry, Mayo, Waterford and Wicklow;

Kerry - €2.6m

Mayo - €3.1m

Waterford - €3.25m + additional for homecare

Wicklow - €3.2m approx. + €0.25m homecare

7.14 The number of people on the national intellectual disability database by age and degree (mild, moderate, profound etc.) and the breakdown of main residential circumstances; and the cost of every week's respite care for all in home settings.

Information relating to the National Intellectual Disability Database is available on the Health Research Board's website at www.hrb.ie.

7.15 To set out in tabular format the annual cost for five years from January 2017 of

a) Restoring the range of services under the Dental Treatment Benefit Scheme for both DTSS and PRSI schemes to pre 2009 level;

The DTBS is a matter for the Department of Social Protection. Budget 2010 capped the DTSS at 2008 levels – full restoration of the DTSS to those levels is estimated to cost €30 million in a full year. It is not possible to indicate a five year forecast as this will depend on uptake.

b) Introducing a dental check for all under 6s, including any appropriate treatment required, including up to 2 fillings.

A dental wellness check would include dental examination, hygiene advice and application of fluoride varnish in high risk cases. Irish and UK evidence suggests that caries-free levels would be high in this age cohort. It is estimated that 1 in 4 at most would need treatment. Total cost including follow up treatment would be in the region of €2.3m.

c) An extension of the DTSS to include examination, cancer screening (soft tissue examination), scaling and polishing, any necessary preventative treatment, radiographs and prescriptions

The introduction of a DTSS package including an oral examination, cancer screening, scaling and polishing, radiographs and prescriptions would cost in the region of €10m in a full year.

d) Extending (c) to non- medical card holders under PRSI scheme (see below)

e) Extending (c) to non-medical card holders under PRSI scheme excluding prescriptions

Background and Assumptions:

There are two major assumptions underlying the costing provided below: firstly, in relation to the estimated volume of claims, and secondly, in relation to the fees that will be payable for the treatments.

- (i) The volume of claims that would follow a re-introduction of a wider range of treatments is difficult to estimate. The number of claims fell significantly in 2011/2012 as a result of rising unemployment and following the introduction of Budget changes to the Dental Treatment Benefit Scheme. The number of claims has started to increase again in recent years, but remains well below 2009 levels.

The costs below are based on the number of claims returning to 2009 levels; however, it could exceed previous levels due to an effective pent-up demand.

- (ii) Furthermore, the fees payable for additional treatments would need to be agreed with the Irish Dental Association, the representative body for dentists. For the purposes of this exercise, fees are based on the previous fees payable (in 2009). However, the possible outcome of negotiations is not known. Some treatments could decrease in price while others could increase.

With regard to the proposals above, prescriptions were never provided for previously under the treatment benefit scheme, and as such, there are no average costs or numbers of prescriptions available to base estimates on. **In this regard, it is not possible to provide a cost for option (d). The cost below refers to option (e).**

Cost

The Dental Treatment Benefit scheme currently provides for examinations. The examination fee provides for soft tissue examination and any necessary radiographs.

Scaling and polishing, and additional x-rays not related to the exam, were provided under the scheme until Budget 2010. The scale and polish fee provided for a degree of preventative treatment, and more extensive gum treatments, if required, was also provided under a separate treatment. The total additional cost of extending the scheme to include these treatments would cost €23 million in a full year.

In addition, re-introducing fillings, root canals, extractions and dentures would cost a further €29 million (i.e. €52 million in total to re-introduce all elements of the scheme, assuming 2009 level uptake and fees).

It should be noted that, in addition to the direct costs incurred by the Department in providing treatments, the Department must also reimburse the Department of Health in respect of those people who avail of comparable treatments from the HSE when they have an entitlement to those same treatments under the TB scheme. The cost to the Department of this reimbursement could be in the order of €20 million, depending on the average claim cost, the number of HSE dental claims, and the level of dual-qualified customers.

(f) Ending the 2 fillings rule by allowing a third filing where required in a year.

Raising the ceiling on fillings to 3 is estimated to cost €10m in a full year.

7.16 To set out in detail the cost of

- Every 100 additional consultants entering the health service (see table below)
- Every 100 additional midwives entering the health service (see table below)
- Every 100 additional Occupational Therapists in health service
€4.628m
- Every 100 additional Speech and Language Therapists in primary care (see table below)
- Every 100 additional Advance Nurse Practitioners in the health service
€8.27m

- Extending the pilot Speech and language Therapy in-school provision to all schools over a 5 year period (<http://www.mic.ul.ie/ted/documents/reporttedsl.pdf>)

This costing exercise cannot be readily undertaken.

| Grade | Salary @ Midpoint of scale | Premium Payments | PRSI @ 10.75% | Subtotal |
|------------------------------------------------------|----------------------------|------------------|---------------|-------------|
| Increase by 100 staff nurses | €36,136.61 | €7,950.05 | €4,739.32 | €48,825.98 |
| Increase by 100 medical consultants Type B | €137,000.00 | €23,000.00 | €17,200.00 | €177,200.00 |
| Increase by 100 medical midwives | €36,136.61 | €7,950.05 | €4,739.32 | €48,825.98 |
| Cost of employing 100 Speech and Language therapists | €42,191.31 | €0.00 | €4,535.57 | €46,726.88 |

7.17 To project and cost the anticipated demand for the Nursing Home Support Scheme in line with existing projections and enabling access for all patients with 4 weeks of application.

Projected number of people to be supported under the NHSS and the Associated costs 2016-2018 (Table from page 80 from the Report of the Review of the Nursing Homes Support Scheme)

| | 2016 | 2016 | 2017 | 2017 | 2018 | 2018 |
|-------|---------|-----------------|---------|-----------------|---------|-------------------|
| | Numbers | Cost € million | Numbers | Cost € million | Numbers | Cost € million |
| Jan | 23,938 | €83.6 | 24,009 | €83.5 | 24,948 | €85.9 |
| Feb | 23,949 | €83.6 | 24,083 | €83.7 | 25,056 | €86.3 |
| Mar | 24,128 | €84.0 | 24,348 | €84.5 | 24,315 | €84.2 |
| Apr | 23,996 | €83.6 | 24,407 | €84.6 | 4,286 | €84.0 |
| May | 24,116 | €83.9 | 24,589 | €85.1 | 24,527 | €84.0 |
| Jun | 24,017 | €83.6 | 24,614 | €85.1 | 24,172 | €83.7 |
| Jul | 23,986 | €83.5 | 24,672 | €85.3 | 25,090 | €83.5 |
| Aug | 24,026 | €83.6 | 24,721 | €85.4 | 24,080 | €83.4 |
| Sep | 23,956 | €83.4 | 24,690 | €85.3 | 23,838 | €82.8 |
| Oct | 24,010 | €83.6 | 24,700 | €85.3 | 23,709 | €82.4 |
| Nov | 24,144 | €83.9 | 24,879 | €85.7 | 23,707 | €82.4 |
| Dec | 23,930 | €83.3 | 24,735 | €85.4 | 23,807 | €82.7 |
| Total | | €1,003.6 | | €1,018.9 | | € 1,005.30 |

The savings estimated if The Fair Deal scheme excluded low and medium dependency needs from assessment of scheme and the age cohorts that would be affected by such a change; the estimate cost of providing alternative Homecare packages for these numbers.

For a person to receive financial support under the scheme, a person must require long term residential services. While conducting a person's needs assessment, the Local Placement Forum (LPF) considers the best care plan for the applicant and takes account of dependency etc. If the LPF considers that the person can be cared for at home, the person's application will be refused. The HSE pointed out that the average length of stay for a person entering residential care has been significantly reduced to 1.6 years, which indicates that more people are entering residential care at a higher dependency level.

Therefore the savings which could be generated would be hard to quantify as the dependency levels of residents is subjective.

7.18 The cost to the State of introducing individual health identifiers to everyone accessing health and social care services.

The HSE has provided an indicative ICT cost to 2016 of €1.5m for the establishment of the Individual Health Identifier Register and making necessary modifications to a limited number of consumer systems, mainly in the Primary Care area. This is ICT related cost only and does not include costs of operating the necessary business functions.

Experience from other jurisdictions indicate that it takes a number of years before national health identifier systems become fully established.

7.19 To deliver savings in the State's drugs bill and reduce prices towards the European norm.

The revenue gains accruing to the State from the continued implementation of generic substitution from 2016-2021, ranging from the most ambitious savings target to the least ambitious savings target.

The Health (Pricing and Supply of Medical Goods) Act provides that when the HSE is setting a reference price for, or reviewing a reference price set for, a relevant group of interchangeable medicinal products it shall take into account the following criteria:

- the ability of suppliers to meet patient demand for the relevant item;
- the value for money afforded by the relevant item;
- the equivalent prices of the relevant item in all other Member States where the product is marketed;
- the prices of therapeutically similar items;
- the resources available to the HSE; and
- the terms of any agreements in place with any representative body of the supplier of drugs.

It is not possible, at this juncture, to provide accurate figures regarding potential savings resulting from generic substitution and reference pricing over the next five years, as these depend on various factors including prevailing prices, number of competitors, availability of substitute products, and market dynamics. Over €47 million savings were achieved in 2014 while a further €25 million is anticipated in 2015.

7.20 Reducing medical costs for the under 18s.

- a) **To set out the cost of hospital charges for all under 18s (by age cohort 0-6, 7-12, 12-18) using most up to date data**

The best estimate for the cost for children under 18 years (i.e. 0 to 17 years) who do not have a medical card with respect to hospital in-patient and day case public statutory charges (i.e. the €75 per day , to a max. of €750 in a year) is €9.5m based on 2014 HIPE data.

- b) **To set out an estimated breakdown of the costs of abolishing hospital charges for all u18s annually for the next five years using demographic forecasts**

Not costed.

- c) **Applying a) and b) on the cost of abolishing medicines for all under 18s**

It is understood that the question relates to the cost of providing medicines free of charge for all under 18s. This information is not readily available. GMS patients already receive prescribed medication free of charge, subject to the prescription charge. The Long Term Illness Scheme provides for medicines free of any charge to eligible patients. Persons availing of the Drug Payment Scheme receive medicines free of charge subject to a monthly threshold of €144 per person or family. It is not possible to estimate the effect of removing the monthly threshold, as data is not available on amounts paid below the €144 threshold, nor indeed the age of the person the drugs are being purchased for.

However, we estimate that the net incremental / additional cost of providing free medicines for all under 18s is approximately €72m.

This is based on the current population of under 18s, the number currently benefiting from medical cards and does not include the impact of prescription charges. Most importantly, our figure is based on an assumption that the prescription drugs usage pattern of the 0-18 population without medical cards would mirror that of the 0-18 population with medical cards.

7.21 To set out in detail the cost to the Department of Health and the Department of Environment, Community and Local Government working in collaboration to support the transition of

- a. 50 people with a disability per year
- b. 100 people with a disability per year
- c. 150 people with a disability per year

from congregated settings into social housing in the community for the period 2016 – 2021.

Costings associated with supporting 50 people to transition from congregated settings into social housing in the community

The average costs associated with supporting the transition of individuals from a congregated setting into a community based supported service using social housing are set out in the tables below. It is important to note that there are a number of key factors that significantly influence the variation in costs associated with supporting the transition of individuals as follows:

Level and type of support needs of the individuals:

- Does the individual have low, medium or high support needs
- Is there are need for medical and nursing support alongside social care supports

Choice of living arrangements:

- Will the individuals choose to live alone or in a small group with 2 ,3 or 4 individuals

Cost of accommodation and property adaptation:

- Will accommodation be sourced using: social housing- leasing model, CAS, allocation through housing authority, private rental with support etc.

Existing level of service and model of service and current arrangement:

- Do the individuals currently have identified individualised supports within a congregated setting
- How much of the support structure required to support the individual to move into the community is already in place subject to some level of reconfiguration.

Community Integration:

- How much support will be required on an interim and ongoing basis to ensure the individual is supported to integrate into the community, which will include accessing day support services, mainstream services, recreational activities, employment opportunities etc.

In order to reflect these variants, the costings provided below are identified in three broad categories for individuals with high, medium or low support needs who could be appropriately supported in social housing. Currently the population remaining in congregated settings still includes significant number of individuals whose support needs are low, medium or high.

It should be noted that there is also a cohort of individuals with complex or intensive support needs whose support needs may not be met in accommodation accessed through social housing options. For these individual, their housing needs will be more appropriately addressed through health and social care providers.

On this basis, the costs for any group of 50, 100 or 150 people will vary depending on the specific support needs of the individuals in each group. The data below can be used to extrapolate the costings for larger of smaller groups where the support needs remain the same and combined to reflect a cross-section of support needs. However, as the costings vary significantly depending on the level of support needs of individuals, this data has been presented separately, to demonstrate the complexity of assigning a cost to transition.

High Support Needs

Individuals in this group will have significant level of intellectual and /or physical and sensory disability with additional complex support needs.

High support individuals are more likely to require nursing, therapeutic and specialist supports in their residential setting. The current resource attached to a congregated setting will need to be

increased to deliver this service to individuals once they are living in dispersed arrangements across the community.

The complexity and level of individual needs will determine the living arrangement for each person. Evidence indicates that for those with most challenging and high support needs services, optimum arrangements vary from individualised to groups.

Table 1- Costings for a group of 50 people with High support Needs

| Factor influencing cost | Estimated cost per 50 people Per Annum(€) | Rationale for cost |
|----------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Additional supports | 2,500,000 | Medical/ Nursing/Therapy supports. Cost reflects increase of 1WTE Nurse per person, which would equate to 1 nurse on a 7 day basis in a house with two people or 24/7 nursing presence for a group of 4 individuals. |
| Social Housing (capital) | 7,500,000 | Costs based on 25 properties at an average cost of €300,000 acquired through DELCG to meet housing needs of individuals with high support needs. |
| Property Adaptations | 1,000,000 | This will range between €30,000 and €200,000. Average cost estimated at €40,000, as adaptations to social housing where this is a viable option for the individuals will be at lesser end of scale |
| Transitional revenue costs | 1,250,000 | Cost reflects increase of 1 WTE Social Care Worker per person on a six month basis, which would equate to 1 staff member on a 7 day basis in a house with two people or 24/7 staff presence for a group of 4 individuals. |
| Community Integration | 750,000 | Cost reflects increase of 0.5 WTE support staff per person, which would equate to 1 staff member on a 7 day basis in a house with two people or 2 staff on a 7 day basis for a group of 4 individuals. The role of these staff would be to facilitate community integration and enable individuals to access meaningful day. This resource may be configured differently in line with New Directions policy rather than direct staff provision in a residential setting. |
| Cost per group of 50 with high support need | 4,500,000 | First year Support Cost per annum: 4,500,000 Ongoing Support Cost per annum: 3,250,000 |
| Cost per individual with high support need | 90,000 | First year Additional Support Cost per annum: 90,000 Ongoing Additional Support Cost per annum: 65,000 |

Medium Support Needs

Individuals in this group will have moderate level of intellectual and /or physical and sensory disability with some additional support needs.

Individuals with medium support needs are more likely to require social care supports with access to some nursing, therapeutic and specialist supports on an outreach basis. The current resource attached to a congregated setting will need to be increased on a transitional basis to enable reconfiguration of services to support individuals as they move to dispersed arrangements across the community. There will be a marginal ongoing increase in supports to address community inclusion issues.

The complexity and level of individual needs will determine the living arrangement for each person. Evidence indicates that for those with moderate support needs smaller groups of 2-3 is the preferred choice for living arrangements.

Table 2- Costings for a group of 50 people with Medium support Needs

| Factor influencing cost | Estimated cost per 50 people Per Annum(€) | Rationale for costing |
|------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Additional ongoing supports | 470,000 | Nursing/Therapy outreach supports. Cost reflects increase of 1 WTE Nurse supporting two groups of 4 individuals on a 5 day week basis. |
| Social Housing | 6,000,000 | Costs based on 20 properties at an average cost of €300,000 acquired through DELCG to meet housing needs of individuals with high support needs. |
| Property Adaptations | 800,000 | This will range between €30,000 and €200,000. Average cost estimated at €40,000, as adaptations to social housing where this is a viable option for the individuals will be at lesser end of scale. |
| Transitional revenue costs | 1,250,000 | Cost reflects increase of 1 WTE Social Care Worker per person for six months , which would equate to 1 staff member on a 7 day basis in a house with two people or 24/7 staff presence for a group of 4 individuals. |
| Community Integration | 500,000 | Cost reflects increase of 0.33 WTE support staff per person, which would equate to 0.5 staff member on a 7 day basis in a house with two people or 1 staff on a 7 day basis for a group of 4 individuals. The role of these staff would be to facilitate community integration and enable individuals to access meaningful day. This resource may be configured differently in line with New Directions policy rather than direct staff provision in a residential setting. |
| Cost per group of 50 with medium support need | 2,200,000 | First year Support Cost per annum: 2,220,000 Ongoing Support Cost per annum: 970,000 |
| Cost per individual with medium support need | 44,400 | First year Additional Support Cost per annum: 44,400 Ongoing Additional Support Cost per annum: 19,400 |

Low Support Needs

Individuals in this group will have lower support needs associated with their level of intellectual and /or physical and sensory disability.

Low support individuals are less likely to require ongoing outreach or residential nursing, therapeutic and specialist supports. . The current resource attached to a congregated setting may need to be increased on a transitional basis to enable reconfiguration of services to support individuals as they move to dispersed arrangements across the community. The emphasis on supporting meaningful community integration will be significant for these individuals, as they will have the potential to access mainstream supports and services.

Evidence indicates that for those with low support needs, single- living arrangement that enables individuals to lead self-directed lives or smaller groups of 2-3 is the preferred choice for living arrangements.

Table 3- Costings for a group of 50 people with Low support Needs

| Factor influencing cost | Estimated cost per 50 people Per Annum(€) | Rationale for costing |
|---------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Additional supports | 0 | Medical/ Nursing/Therapy supports. Cost reflects increase of 1WTE Nurse per person, which would equate to 1 nurse on a 7 day basis in a house with two people or 24/7 nursing presence for a group of 4 individuals. |
| Social Housing | 8,250,000 | Costs based on 33 properties at an average cost of €250,000 acquired through DELCG to meet housing needs of individuals with high support needs. |
| Property Adaptations | 1,000,000 | Average cost estimated at €30,000, as adaptations to social housing will be minimal in some cases and require Assistive Technology in others to facilitate a level of independence and self-directed living. |
| Transitional revenue costs | 312,500 | Cost reflects increase of 1 WTE Social Care Worker for 4 individuals on a six month basis , which would equate to 1 staff member on a 5 day basis supporting four single living arrangements or two houses of two people. |
| Community Integration | 375,000 | Cost reflects increase of 1WTE support staff for 4 people. The role of these staff would be to facilitate community integration and enable individuals to access meaningful day. This resource may be configured differently in line with New Directions policy rather than direct staff provision in a residential setting. |
| Cost per group of 50 with low support need | 687,500 | First year Support Cost per annum: 687,500 Ongoing Support Cost per annum: 375,000 |
| Cost per individual with high support need | 13,750 | First year Additional Support Cost per annum: 13,750 Ongoing Additional Support Cost per annum: 7,500 |

7.21 The cost of every one million home help hours; the number of home help hours provided in this year's HSE service plan and the cost of these.

The HSE has provided in the region of €192m for a target of 10.437m hours home help in 2016. Average cost per hour is approx. €18.40. Therefore 1m hours would cost approx. €18.4m

7.22 The approximate number of operations or procedures per million euros that can take place per year under the waiting list initiative.

The €51m provided for the waiting list initiative in 2015 gave a broad estimate cost of €3,345 per inpatient / day case (IPDC) procedure. Taking into account administration costs (estimated at 5% of total budget), that would indicate funding for approximately 300 IPDC cases.

The cost of €3,345 per procedure should be taken with extreme caution however - it does not reflect the complex spectrum of activity which may range from 'simple' procedures such as laparoscopies on patients in good general health (which generally involve a 3 - 4 hour attendance for day surgery) to complex procedures, such as transplants, which not only require a full day of theatre time, but generally also require intensive levels of pre-and post- operative care for individual patients, with the associated staffing and infrastructural resources.

In terms of Outpatient appointments, the broad estimate cost per appointment used in the recent HSE initiative was €275. Using this as a base unit cost for the 375,440 persons currently on

Outpatient waiting lists, the cost would roughly be €108.4m, with a consequent 'conversion' rate of 24% of those on the waiting list requiring follow up IPDC treatment. Again, this is a very simplistic calculation which cannot take factors such as diagnostic tests / capacity / patient choice of service provider into account. Another matter to take into account is the fact that the price above is predicated on consultant-led appointments: the HSE, in some specialties where it is clinically appropriate to do so, is introducing programmes such as triage by physiotherapists of those with musculoskeletal disorders, which can effectively reduce waiting lists - i.e. Not everyone needs to see a consultant, just as not every patient for whom an ambulance is called actually needs to be taken to hospital.

The total amount of operations or procedures that took place under the waiting list initiative last year and the associated cost.

To meet the 18 month target in June 2015 initiative, outsourcing options were offered to a total of 12,416 inpatients, outpatients and day case patients were treated by private providers. To meet the 15 month targets 21,000 patients were assigned to private providers for either inpatient, day case or outpatient treatment. The total number of patients outsourced will vary due to patient choice, clinical requirements and capacity of private providers to treat patients within the required timeframe to which the waiting list and tendering process continues to be monitored. The final deadline for completion of this work is March 2016, with a few patients in April for clinical reasons.

Expenditure in 2015 was € 22.749m with an estimated €17.9m carried forward into 2016 to complete the outsourced work.

8. Jobs, Enterprise & Innovation

8.1 The cost of continuing the Trading Online Voucher Scheme in line with projected demand.

8.2 The cost to the State of supporting every additional 1,000 vouchers under the scheme up to a cap of 10,000 vouchers.

| | No. of vouchers | Increase by 1,000 | Increase by 2,000 | Increase by 3,000 | Increase by 4,000 | Increase by 5,000 | Increase by 6,000 |
|------------------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| No. of Vouchers | 1,000 | 2,000 | 3,000 | 4,000 | 5,000 | 6,000 | 7,000 |
| Total Cost | € 2,725,000.00 | € 5,450,000.00 | € 8,175,000.00 | € 10,900,000.00 | € 13,625,000.00 | € 16,350,000.00 | € 19,075,000.00 |
| Cost of increase on baseline | n/a | € 2,725,000.00 | € 5,450,000.00 | € 8,175,000.00 | € 10,900,000.00 | € 13,625,000.00 | € 16,350,000.00 |

Assumptions

- Current cost based on 1,000 vouchers per annum. Target is 2,000 vouchers over 2 years to end 2015.
- Maximum amount granted for each voucher (under the scheme, vouchers are awarded subject to the maximum amount available - €2,500 - or half of the eligible expenditure, whichever is the lesser)
- No change to the proportion of funding allocated to the LEO Network - the costs associated with applicant training support, scheme promotion and administration costs are assumed to remain constant and no economies of scale are built into this simple costing model.

9. Justice and Equality

9.1 In tabular format, the breakdown of costs for every 100 new recruits to An Garda Síochána and the associated costs (pensions etc.) that accrue

The Year 1 cost in respect of 100 new recruits is forecasted to be €2.192m. This relates to pay and training allowance costs and is calculated assuming that this is the first year costs for the 100 recruits including the training cycle period and assuming a 1st January commencement date.

This estimate is formulated based on assumption that a garda recruit spends 32 weeks in a training cycle before being attested to the first point of the Garda Pay Scale.

| | Annual Cost |
|--------------------|--------------------|
| 100 Garda Recruits | €2,170,000 |

9.2 In tabular format, the breakdown of costs for every 100 additional Garda Reserves.

The annual cost of for 100 additional Garda Reserves is €100,000. This is represented as in the table below – This does not include any training or equipment costs -

| Annual Cost | Allowance | Number | Total Cost |
|--------------------|------------------|---------------|-------------------|
| 100 Garda Reserves | €1,000.00 | 100 | €100,000 |

9.3 The breakdown costs to re-introduce overtime to pre-2011 levels with a breakdown of cost at each grade.

To introduce overtime to pre-2011 levels (taking the year 2010 to represent this level) would constitute an increase of €40.522m in the overtime budget. The table below discloses per grade the variance between expenditure levels for 2010 and 2014.

| Overtime | | | |
|-------------------|-------------|-------------|-------------------|
| Grade Desc | 2010 | 2014 | Difference |
| Garda | €56,112,682 | €26,483,267 | €29,629,415 |
| Sergeant | €16,313,159 | €8,175,871 | €8,137,288 |
| Inspector | €4,920,938 | €3,289,122 | €1,631,816 |

| | | | |
|------------------------------|--------------------|--------------------|--------------------|
| C.O. | €752,436 | €198,216 | €554,220 |
| S.O. | €273,467 | €65,148 | €208,319 |
| Civilian Support Staff | €246,819 | €65,689 | €181,130 |
| E.O. | €242,240 | €65,545 | €176,695 |
| H.E.O. | €75,280 | €28,183 | €47,097 |
| Professional Staff - Other | €23,452 | €15,553 | €7,899 |
| Training Staff | €6,477 | €112 | €6,365 |
| Skilled Labour | €5,734 | €6,746 | -€1,012 |
| Professional Staff - Medical | €339 | | €339 |
| DEFAULT | -€749,952 | -€693,182 | -€56,770 |
| Grand Total | €78,223,071 | €37,700,269 | €40,522,802 |

9.4 The breakdown costs to restore the numbers of personnel in each Drug Unit around the country to pre-2011 levels.

Having given this request careful consideration, it was found that there are too many variables involved including in relation to the impact of the redeployment of existing members (and how they might be replaced) to allow a meaningful estimate of the cost of this proposal to be prepared.

9.5 The breakdown costs to purchase 100 additional protective jackets

The cost of purchasing 100 additional protective jackets is €11,070.

9.6 The breakdown costs of additional 100 stab vests for all Gardai and all prison officers (breakdown for each sector)

The cost of purchasing 100 additional stab vests for An Garda Síochána is €36,400.

9.7 The cost of restoring the hours to each Garda station that have had reduced opening hours since 2011

The restoration of opening hours in Garda stations to 2011 levels would have service and cost implications. The reduced opening hours to the public were introduced to facilitate the

redeployment of resources to provide for their most efficient and effective use in supporting other areas of policing. Restoring the opening hours would require the deployment of resources to station duty as opposed to patrolling duty and would have service implications. If current levels of operational policing were to be maintained in addition to the restored opening hours additional costs would arise. Apart from these service and related cost implications some minor costs would arise in relation to station operating costs (utilities etc.).

9.8 In tabular format, the breakdown of costs to ensure courthouses remain open through summer period (Monday to Friday); To provide a tabular breakdown of major costs for High Court, a district court, a circuit court operating 48 weeks a year, 5 days a week.

In responding to the above Table 1 below provides an indicative estimate of additional staff and non-pay costs in operating 48 weeks a year, 5 days a week.

Table 1

| Expenditure Description | Note | €'000 |
|--------------------------------|-------------|--------------|
| Payroll | 1 | |
| High Court | | 1,000 |
| Circuit Court | | 1,130 |
| District Court | | 530 |
| | | 2,660 |
| Non Pay | 2 | 1,120 |
| Total | | 3,780 |

These costs can be used for subsequent years but would be subject to changes in pay and Travel & Subsistence rates.

- **Note 1** – The Pay costs equate to an additional 66 Full Time Equivalent (FTE) across all jurisdictions, representing both court registrars and support staff.

For the Circuit Courts extra sitting days were calculated based on 48 Weeks X 5 days as compared with the current 37 Weeks a year. A similar approach was adopted for the District Court. The District Court currently sits 48 weeks per year, but not always 5 days. The increased sitting days were then converted to FTE.

For the High Court it was estimated that the proposed change would result in an increase in the current complement of staff by an estimated 25%.

- **Note 2** - Non Pay expenditure covers amongst other things: Travel & Subsistence, Digital Audio Recording, Interpreting, Courthouse Maintenance, Light Heat & Fuel.

Assumptions

- No account has been taken of the possible additional judicial resources that would be required, in addition to the associated non pay costs that would arise.

- There would be cost implications for An Garda Síochána, Irish Prison Service, Probation Service, the Director of Public Prosecution and the Chief State Solicitors Office
- **Savings accrued for the application of the civil services expenses system (as opposed to a higher rate currently available to judges and higher again for superior court judges) on the basis of 2014 expenses incurred.**

The potential likely savings are estimated to be in the order of €0.200m per annum based on 2014 T&S. The breakdown of which is as follows:

- Travel €0.117m
- Subsistence €0.083m

Travel Assumptions – The mileage rate for the judiciary falls within the engine capacity of 1888 cc and over, the prevailing rate for 2014 for which is 70.89 cent per kilometre.

The applicable Civil Service rate is assumed to be 59.07 cent per kilometre falling within the engine capacity 1501cc to 1887cc.

Judicial mileage cost for 2014 was restated at the lower rate of 59.07 cent per kilometre in establishing the potential likely savings.

Subsistence Assumptions – Home subsistence was considered in the context of comparable subsistence rates for the civil service namely; Overnights, 10Hr and 5 Hr rates only. The prevailing 2014 rates were compared across the rates claimed by the civil service and the judiciary and a difference was established. See Table 2 below

Table 2

| | Overnight | 10 Hr | 5 Hr |
|---------------------|------------------|--------------|-------------|
| Judiciary | €121 | €37.04 | €14.12 |
| Civil Service | €108 | €33.61 | €13.71 |
| Difference | €13.00 | €3.43 | 0.41 |
| % Difference | 12% | 10% | 3% |

A detailed breakdown of actual subsistence expenditure in 2014 across Overnight, 10Hr and 5Hr was not available for judges in the time available. Accordingly a difference in subsistence costs of 10% was assumed in estimating any likely savings.

9.9 The cost of doubling drug rehabilitation places within all prisons

The estimated current cost of the provision of Drug Treatment in all prisons is of the order of €4.5m. It is anticipated that the doubling of the number of drug rehabilitation places within all prisons would incur an additional cost of approximately €0.8m. The increased number of places would not result in a pro-rata increase in the level of expenditure owing to the potential economies of scale to be derived from the deployment of clinical and support staff.

9.10 The cost of Irish prison service if the 25% remission policy was abolished based on current numbers imprisoned; also if it was reduced to 15% based on current numbers.

The additional cost to the Prison Service if the 25% remission policy was abolished based on current numbers imprisoned is estimated at **€18.4 million**.

(A reduction to 0% remission will result in an additional 1,130,622 bed nights being served by the current prison population.)

If the remission policy was reduced to 15% based on current numbers, the estimated additional cost is in the region of **€7.2 million**.

(A reduction of remission to 15% will result in an additional 440,244 bed nights being served by the current prison population.)

Costings are based on an analysis of the current prison population (based on the snapshot of sentenced committals excluding fines and life sentence prisoners). It is assumed that committals to prison remain static and that prisoners complete their full sentence.

9.11 The savings to the prison service if no-one with a sentence of less than 6 months was imprisoned (except in contempt of court cases)

The savings to the Prison Service if no-one with a sentence of less than 6 months was imprisoned (except in contempt of court cases) **is estimated at €1.3 million**.

The figures are taken from an exercise carried out compiling the Annual Reports 2014 - the total number of days spent in custody in 2014 by prisoners serving <6 months was 84,704 actual days.

Other Assumptions

From the 2014 Cost per Available Staffed Prison Space, the prisoner-related annual cost is €5,931pa which equates to €16.25 per day which has been applied to the above scenarios.

Increases in prisoner numbers may impact on capital expenditure requirements.

9.12 The cost for every 100 additional probation officers

Cost of Probation Officer

Direct salary cost - Average Salary €45,486 plus ER PRSI €4,889 equals €50,376

Imputed pension cost 13% of pay

Total salary cost €56,288 per officer

An additional 100 officers would cost €5,628,800

This excludes overhead cost (recommended 25% cost for additional staff). Total cost circa €7m

Assumption

- Pension and overhead percentages are based on DPER guidance on calculation of staff costs.

9.13 The cost of providing sheltered accommodation on release from prison to prisons for one month, three months (on the basis of current arrangements)

The cost of providing sheltered accommodation in Priorswood House (PACE) is;

€750 per client per month

€2,250 per client per 3 month stay

Assumptions

- Costings are based on simple calculations i.e. total cost per year divided by expected number of clients per annum.
- Average stay of a client is 6 months.
- The house has full capacity all year.
- This average cost is based on one example only and the figures may not represent the average cost of a larger sample.

9.13 The amount saved for every 5% criminal legal aid is reduced on the basis of 2015 allocation and spend.

- Criminal Legal Aid Budget for 2015 is €51,302,000. 5% of that amount is €2,565,100.
- Actual amount spent on Criminal Legal Aid in 2014 is €53,120,000. 5% of that amount is €2,656,000.
- Actual amount spent on Criminal Legal Aid in the period January to June 2015 is €26,853,000. 5% of that amount is €1,342,650.
- In seeking to reduce the expenditure on the criminal legal aid scheme, the rates of fees paid to the legal practitioners were reduced by 8% in March 2009, by a further 8% in April 2010 and by 10% in October 2011.

9.14 Taking into account approximately 300 Garda retirements annually, to estimate the first year and full year costs of 600 additional Garda recruits each year from 2017 to 2021 inclusive.

Table 1

| Summary Table - Cumulative Payroll Costs | | | | | | | | |
|-------------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| | Numbers | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
| 2016 Recruits | 600 | €13,018,551 | €20,517,414 | €22,587,912 | €24,514,831 | €26,112,393 | €28,513,029 | €135,264,130 |
| 2017 Recruits | 600 | 0 | €13,018,551 | €20,517,414 | €22,587,912 | €24,514,831 | €26,112,393 | €106,751,101 |
| 2018 Recruits | 600 | 0 | 0 | €13,018,551 | €20,517,414 | €22,587,912 | €24,514,831 | €80,638,708 |
| 2019 Recruits | 600 | 0 | 0 | 0 | €13,018,551 | €20,517,414 | €22,587,912 | €56,123,877 |
| 2020 Recruits | 600 | 0 | 0 | 0 | 0 | €13,018,551 | €20,517,414 | €33,535,965 |
| 2021 Recruits | 600 | 0 | 0 | 0 | 0 | 0 | €13,018,551 | €13,018,551 |
| Total | 3,600 | €13,018,551 | €33,535,965 | €56,123,877 | €80,638,708 | €106,751,101 | €135,264,130 | €425,332,332 |

Table 2

| Summary Table - Cumulative Payroll Savings | | | | | | | | |
|---------------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| | Numbers | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
| 2016 Retirements | 300 | €10,833,333 | €19,500,000 | €19,500,000 | €19,500,000 | €19,500,000 | €19,500,000 | €108,333,333 |
| 2017 Retirements | 300 | 0 | €10,833,333 | €19,500,000 | €19,500,000 | €19,500,000 | €19,500,000 | €88,833,333 |
| 2018 Retirements | 300 | 0 | 0 | €10,833,333 | €19,500,000 | €19,500,000 | €19,500,000 | €69,333,333 |
| 2019 Retirements | 300 | 0 | 0 | 0 | €10,833,333 | €19,500,000 | €19,500,000 | €49,833,333 |
| 2020 Retirements | 300 | 0 | 0 | 0 | 0 | €10,833,333 | €19,500,000 | €30,333,333 |
| 2021 Retirements | 300 | 0 | 0 | 0 | 0 | 0 | €10,833,333 | €10,833,333 |
| | 1,800 | €10,833,333 | €30,333,333 | €49,833,333 | €69,333,333 | €88,833,333 | €108,333,333 | €357,499,998 |

Table 3

| Summary Table - Net Cumulative Payroll Costs | | | | | | | | |
|-----------------------------------------------------|----------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| | Numbers | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
| 2016 Net additions | 300 | €2,185,218 | €1,017,414 | €3,087,912 | €5,014,831 | €6,612,393 | €9,013,029 | €26,930,797 |
| 2017 Net additions | 300 | €0 | €2,185,218 | €1,017,414 | €3,087,912 | €5,014,831 | €6,612,393 | €17,917,768 |
| 2018 Net additions | 300 | €0 | €0 | €2,185,218 | €1,017,414 | €3,087,912 | €5,014,831 | €11,305,375 |
| 2019 Net additions | 300 | €0 | €0 | €0 | €2,185,218 | €1,017,414 | €3,087,912 | €6,290,544 |
| 2020 Net additions | 300 | €0 | €0 | €0 | €0 | €2,185,218 | €1,017,414 | €3,202,632 |
| 2021 Net additions | 300 | €0 | €0 | €0 | €0 | €0 | €2,185,218 | €2,185,218 |
| Total | 1,800 | €2,185,218 | €3,202,632 | €6,290,544 | €11,305,375 | €17,917,768 | €26,930,797 | €67,832,334 |

Table 4

| Summary Table - Total Superannuation Costs | | | | | | | | |
|---------------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| | Numbers | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
| 2016 Retirements | 300 | €33,916,667 | €9,750,000 | €9,750,000 | €9,750,000 | €9,750,000 | €9,750,000 | €82,666,667 |
| 2017 Retirements | 300 | €0 | €33,916,667 | €9,750,000 | €9,750,000 | €9,750,000 | €9,750,000 | €72,916,667 |
| 2018 Retirements | 300 | €0 | €0 | €33,916,667 | €9,750,000 | €9,750,000 | €9,750,000 | €63,166,667 |
| 2019 Retirements | 300 | €0 | €0 | €0 | €33,916,667 | €9,750,000 | €9,750,000 | €53,416,667 |
| 2020 Retirements | 300 | €0 | €0 | €0 | €0 | €33,916,667 | €9,750,000 | €43,666,667 |
| 2021 Retirements | 300 | €0 | €0 | €0 | €0 | €0 | €33,916,667 | €33,916,667 |
| Total | 1,800 | €33,916,667 | €43,666,667 | €53,416,667 | €63,166,667 | €72,916,667 | €82,666,667 | €349,750,002 |

Table 5

GARDA VOTE COSTS

| Summary Table - Cumulative Net Costs | | | | | | | | |
|---------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| | Numbers | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
| 2016 Net additions | 300 | €36,101,885 | €10,767,414 | €12,837,912 | €14,764,831 | €16,362,393 | €18,763,029 | €109,597,464 |
| 2017 Net additions | 300 | €0 | €36,101,885 | €10,767,414 | €12,837,912 | €14,764,831 | €16,362,393 | €90,834,435 |
| 2018 Net additions | 300 | €0 | €0 | €36,101,885 | €10,767,414 | €12,837,912 | €14,764,831 | €74,472,042 |
| 2019 Net additions | 300 | €0 | €0 | €0 | €36,101,885 | €10,767,414 | €12,837,912 | €59,707,211 |
| 2020 Net additions | 300 | €0 | €0 | €0 | €0 | €36,101,885 | €10,767,414 | €46,869,299 |
| 2021 Net additions | 300 | €0 | €0 | €0 | €0 | €0 | €36,101,885 | €36,101,885 |
| Total | 1,800 | €36,101,885 | €46,869,299 | €59,707,211 | €74,472,042 | €90,834,435 | €109,597,464 | €417,582,334 |

Assumptions

Table 1 – Cumulative Payroll Costs

- Payroll costs for new Garda recruits include a basic allowance of €184 per week plus a living allowance of €77.92. After 32 weeks of training, Garda Recruits are attested and move on to the first point of the Garda pay scale €23,171 rising to a maximum of €45,793 per annum after 19 years. They may also qualify for other allowances depending on their assignments.
- The annual cost of 600 new recruits in their first year (**assumes a commencement date of 1st January each year**) is €13.02m. This figure includes Employer's PRSI and an estimation of allowances which the recruits may qualify for following attestation. The annual cost will increase as the members move up the Garda Pay scale each year.
- Assume annual increments will apply.

- **Table 2 – Cumulative Payroll Savings**

- Upon retirement the average pay of a Garda member including allowances, employers PRSI etc., is circa €65,000. The calculations assume 300 retirements per annum which are spread across the 12 months of the year (based on past trends).

- **Table 4 – Total Superannuation Costs**

- Garda pensioners are paid on a monthly basis from the Superannuation Subhead of the Garda Vote. The monthly pension equates to approximately half of the members final salary. In addition, one off gratuity payments are also paid from the Garda Vote to retiring members which equate to one and a half times the final salary. The cost of 300 retirements per annum over the period 2016 - 2021 is approximately €350m.

- **Table 5 – Cumulative Net Costs**

- The total net cost to the Garda Vote, including payroll and superannuation, for the above proposal is circa €418m (Table 5)

10. Public Expenditure & Reform

10.1 Please provide, in tabular format, the cost of meeting the public sector pay commitments arising from the Haddington Road Agreement (HRA) and the Lansdowne Road Agreement (LRA) in the years 2016-2021 inclusive.

The Lansdowne Road Agreement, incorporating the HRA, extends to 2018. The cost of any Public service pay commitments under the Agreement is set out up to the date of expiration of the Agreement, and there are no projections beyond that date.

Tables setting out the cost of the Lansdowne Road Agreement up to 2018 are available on the PER website at <http://www.per.gov.ie/en/statement-by-the-minister-for-public-expenditure-and-reform-brendan-howlin-t-d-on-the-outcome-of-discussions-between-the-government-and-the-public-service-unions/>

10.2 Please provide, in tabular format, an estimate of the cost of maintaining in the period 2019-21 the average rate of growth in public service pay rates agreed for 2016-2021 under the HRA/LRA.

The Lansdowne Road Agreement expires in 2018. Any average rate of growth in public service pay rates in the period 2019-2021 will be subject to future agreements or legislation, and estimates are not available.

10.3 Please provide, in tabular format, the cost in the years 2016-2021 inclusive of meeting the Government commitment to unwind elements of the public sector pension cuts under the FEMPI legislation. Please estimate the cost of restoring the remaining public service pension cuts under the FEMPI legislation.

The proposed part-restoration of the public service pension cuts commenced in 2011 consists of a three-stage relaxation (part-reversal) of the "PSPR" (Public Service Pension Reduction) imposition on such pensions. The changes are timed to occur on 1 January 2016, 1 January 2017 and 1 January 2018, and when fully implemented will give rise to a total ongoing annual cost estimated at about €90 million, broken down as follows:

| Forecast cost of proposed PSPR part-reversal | |
|----------------------------------------------|-------------|
| Year | Annual Cost |
| 2016 | €30 million |
| 2017 | €30 million |
| 2018 | €30 million |

Assuming that the three-stage part-reversal of the PSPR-based pension cuts proposed by Government is implemented, then the additional annual cost of abolishing PSPR entirely is estimated at €45 million.

10.4 Consistent with the estimate in Q.3 above, please provide, in tabular format, the cost of indexing public service pensions to final salaries in the years 2016-21 inclusive.

At this point in the Exchequer and Budgetary planning cycle, and reflecting broadly the implementation time horizon for the Government's proposed part-reversal of "FEMPI" pay and pension cuts, the responses being provided to Questions 4 and 5 are restricted to the period out to 2018.

Assuming

- that the eventual public service pension outgo cost in 2015 is approximately €2.8 billion (cash basis estimate = €2,807,221,000, Revised Estimates for Public Services 2015),
- that for each of the years 2016, 2017 and 2018, that 2015 base-year pension cost of €2.8 billion increases by approximately 3.5% annually, directly reflecting increases of that magnitude in expected pensioner numbers over the period, and
- that the 2015 base outgo cost, duly increased as described to capture the foreseen growth in the pensioner population, is further increased in each of the three years 2016, 2017 and 2018 based on the projected rates of annual increase over that period in the public service pay bill (net of the Haddington Road Agreement "restoration" of 2013 pay cuts above €65,000), those increases being as follows: 0.1% in 2016, 0.6% in 2017: 1.2% in 2018,

then the following estimated cost increases in respect of public service pension payments in each of the three years 2016 to 2018 would arise:

2016: €3 million
2017: €18 million
2018: €38 million

10.5 Please provide, in tabular format, the cost of indexing public service pensions to the Harmonised Index of Consumer Prices (HICP) in the years 2016-21 inclusive.

Assuming

- that the eventual public service pension outgo cost in 2015 is approximately €2.8 billion (cash basis estimate = €2,807,221,000, Revised Estimates for Public Services 2015, Table),
- that HICP-measured inflation in the relevant years matches Department of Finance forecasts as follows – 2016: 1.1%, 2017: 1.5%, 2018: 1.7%, and
- that public service pensioner numbers in each of the years 2016, 2017 and 2018 grow by about 3.5% per year,

then the following estimated cost increases in respect of public service pension payments in each of the three years 2016 to 2018 are generated:

2016: €32 million

2017: €46 million

2018: €54 million

10.6 Please provide the reduction in public service pension liabilities, in Present Value terms, from switching the indexation of public service pensions from final salaries to the HICP.

A Department of Public Expenditure and Reform actuarial valuation exercise carried out in 2014 estimated that the total accrued liability in respect of public service occupational pensions stood at €98 billion (as at December 2012).

That €98 billion estimate was grounded in the assumption that future pension increases will be in line with public service pay increases (pay parity). If instead, future pension increases are assumed to track consumer price inflation, then the pension liability, according to the actuarial valuation exercise, falls to €82 billion. This assumption of an inflation-guided trajectory for pension rates is by reference to the Consumer Price Index (CPI); a liability estimate utilising the HICP is not available.

10.7 Please estimate the cost of restoring cuts to third party providers of services under the FEMPI legislation.

The FEMPI legislation (No 5 of 2009) contained measures allowing public service bodies to reduce the professional fees paid by them to external service providers. With respect to the professional fees reduction measure, under section 9(13) of the Act the Minister for Health reviewed the operation, effectiveness and impact of the amounts and rates of payments to health professionals. Measures to reduce the rate of payment to health professionals were implemented and up to 2014 generated savings in the region of €315m p.a. Reduced payments to State solicitors under the remit of the Minister for Public Expenditure and Reform generated additional savings in the region of €0.5m p.a.

While the extent to which health and other professionals are engaged by the various Departments may vary over time in accordance with policy, operational practices and other factors. However, it is reasonable to assume that the cost of fully restoring FEMPI cuts to third party providers as set out above would be in the region of €315m.

10.8 Please provide, in tabular format, the reduction in public service numbers (in both absolute and percentage terms) and cash savings that would result from a freeze in public sector recruitment in the years 2016-2021 inclusive i.e. assuming retirees and other exits are not replaced across the civil and public service.

Reductions in public service numbers (in the absence of replacement) would arise from retirements, resignations or deaths in service. For the civil service, staff can currently retire at any stage from age 60 onwards, and therefore it is not possible to be precise in this regard. Whilst historical trends or patterns can often be considered a good indicator of future rates, a particular feature of the last few years has been a series of once-off measures aimed at accelerating departure rates above the normal pace as part of the overall effort to reduce and contain the

public service pay bill. Given this atypical recent past and given that there is a range of years in which persons might choose to retire, it is not possible to form an accurate forecast of the number of possible retirees in the years 2016 to 2021. For the rest of the public service, excluding the civil service, this Department does not hold central information in relation to potential retirement dates for employees, and thus cannot form a forecast as to possible numbers of retirees in the period in question. In the absence of forecasts of possible numbers of retirees, it is not possible to estimate savings arising from such retirements. Regarding measures undertaken recently to reduce the public service pay bill and numbers, the size of the public service reduced from a high of 320,000 in 2009 to 289,000 at end 2014, a drop of 9.7%, while the gross pay bill reduced from €17.5 billion in 2009 to €14.8 billion in 2014, a reduction of €2.7 billion. Of that €2.7 billion, approximately €1.2 billion related to pay reductions, and some €1.5 billion relates to numbers reduction.

10.9 Please provide, in tabular format, the projected cash savings and reduction in public service numbers that would arise from an extension to the of the shared service platforms adopted in the civil service to the entire public service.

Shared Services is an innovative business model and a key element of the *Public Service Reform Plan 2014-2016* that takes advantage of the latest innovative technologies to drive better value for money.

Shared Services frees up Departmental staff to focus on more strategic areas and core services. Shared Services reduces complexity and duplication across organisations and improves efficiency. Shared Service Centres typically take two to three years to become established and stabilised.

The National Shared Services Office (NSSO) within the Department of Public Expenditure & Reform is leading shared service strategy and implementation of Shared Services projects and operations within the overall Reform and Renewal context. The NSSO is directly responsible for overseeing Shared Service projects and operations within the Civil Service.

There are currently three shared services projects underway within the Civil Service:

1. HR and Pensions Administration Shared Services Project (PeoplePoint)
2. Payroll Shared Services Project (PSSC)
3. Financial Management Shared Services Project (FMSS)

Shared service centres across all sectors are only established following the completion of detailed business cases. Evidence-based Business Cases were presented for each of these projects. These original business cases projected both cash and headcount savings in the order of:

| Project | Annual Cost Saving | FTE Saving |
|----------------|---------------------------|-------------------|
| PeoplePoint | €12.5 million | 149 |
| PSSC | €5.6 million | 56 |
| FMSS | €14.6 million | 128 |

As part of its wider leadership role, the NSSO provides expert guidance and support to other Public Service sectors in progressing their individual Shared Service commitments.

Within the context of their quarterly report on progress made under the *Public Service Reform Plan 2014-2016*, each of the Education, Health and Local Government sectors provide an update on the implementation of their own shared service initiatives within that sector and the projected benefits which may arise.

10.11 On the basis of averaging cash savings from the reduction in the numbers of public bodies achieved in 2011-15, please estimate the likely savings achieved by reducing the number of public service bodies by a further 20.

The current rationalisation of State Agencies Programme will, when fully implemented, result in the reduction of some 180 bodies, with estimated annual savings (by 2018) of some €24 million. Further details on these measures are contained in the Report on the Implementation of the Agency Rationalisation Programme, which is available on the Department's website. Regarding the costing query, savings that might arise would be determined by factors particular to that agency, i.e. the number and type of staff, whether the agency was abolished, merged with another organisation, or absorbed back into its parent department, whether savings arose in relation to accommodation, equipment, overheads, etc. It would not be meaningful therefore to average the savings realised in the programme recently completed for possible rationalisation of an unspecified set of 20 public service bodies. Potential savings would be wholly dependent on the specific characteristics of the agencies to be targeted.

10.12 The savings of abolishing the annual allowance for Oireachtas Committee Chairpersons

€139,840 p.a. based on current rates.

10.13 The savings of abolishing the special secretarial allowance

Dependent on option taken. Spend for 2014 on vouched element was €969,719.

10.14 The savings of cutting the Travel and Accommodation by up to 50% for Dublin and up to 25% for other bands.

Dependent on geographical location of each Member. Based on spend for year 2014 – estimated savings would be €198,750 p.a. and €989,264 p.a. respectively

10.15 The savings of reducing the vouched expenditure limits under the PRA to Deputies, Ministers, Ministers of State and Senators to zero.

Claims fluctuate from year to year. A reduction to zero equates to abolition. Total paid in 2014 was €3.75m

10.16 The savings of abolishing the Dual Abode Allowance

The most recently available data in relation to the dual abode allowance is for 2013, in which the Exchequer cost of the allowance was €50,000.

10.17 The savings of cutting ministerial and TD salaries up to 50% and Senators salaries by 25%.

Based on current salary rates, reducing the salary rate of Taoiseach, Tánaiste, Ministers, Ministers of State & TDs by 50% would save €8.0m. p.a. approx.; reducing the salaries of Senators by 25% would save €975,000 p.a.

10.18 Please estimate the cost of extending voting rights by postal ballot in the Seanad to:

- **All Irish citizens, in line with the Report of the Working Group on Seanad Reform 2015**
- **Graduates, in line with the definition used in the Report of the Working Group on Seanad Reform 2015**

Background

The Report of the Working Group on Seanad Reform 2015 is the responsibility of the Department of the Taoiseach in the first instance. The Department of Environment, Community and Local Government understands that the recommendations in that report have not been costed.

Notwithstanding this, some preliminary analysis has been undertaken by the Department of Environment, Community and Local Government in the context of a recommendation of the Convention on the Constitution that voting rights at Presidential elections be extended to citizens resident outside the State. Some issues arising in this work could also be relevant to the proposal to extend voting rights in Seanad elections to all Irish citizens and are outlined at paragraph 2 below. These include estimates of numbers and the practical considerations that would need to be addressed before costings could be undertaken. In the context of paragraph (a) above, the Working Group, in Part 5 of its report, recommends that “*Irish citizens*” should include those citizens on the island of Ireland and those with current passports living abroad.

The Department of Environment, Community and Local Government has also undertaken some analysis and costings in relation to extending the Seanad franchise to graduates of institutions of higher education in the State that heretofore did not form part of the Seanad University constituencies. This is outlined in paragraph 3.

Extending Voting Rights to Citizens Resident outside the State

Numbers

- Generally, persons entitled to Irish citizenship include those born on the island of Ireland and those who acquire citizenship by descent (parent, grandparent) or by naturalisation. As anyone with an entitlement to Irish citizenship (see below for further information on numbers) can apply for an Irish passport, this could lead to a very significant electorate

compared to the size of the electorate resident in the State (the register of Presidential electors is currently 3.1 million).

- A conservative estimate of the numbers of Irish citizens resident outside the island of Ireland is some 1.65 million. This number could be greater when those who are entitled to citizenship but have not, to date, sought to activate that entitlement are included. Adding this figure to Northern Ireland's population of 1.8 million gives an estimated potential of 3.5 million citizens resident outside the State. Adding this to the 3.1 million citizens on the register in the State gives a total potential electorate of 6.6 million.
- At the other extreme, the Irish diaspora is estimated by some at 70 million. While those persons who are part of the Irish diaspora only through heritage and cultural connections would not be entitled to Irish citizenship, all others would. The number of those in the 70 million who are entitled to Irish citizenship is not known.
- Precise information is not available on the total number of Irish passport holders resident outside the State. The total number of passports issued to adults outside the State for the period 2006 – 2013 amounted to approximately 696,997 or an average of 87,142 passports per year. This figure does not include holders of passports now resident outside the State whose passports were issued in the State.

Practical Considerations

- Costs arising in extending the franchise at Seanad elections to all citizens resident on the island of Ireland and those resident outside the island who are passport holders would include costs associated with:
 - putting in place new arrangements for registration of voters, including verification of applications;
 - taking the poll – the proposition in the Report of the Working Group that voters be given the option of downloading their ballot paper from a website has not been analysed or costed so far as we understand. If the current arrangements for issue of ballot papers by registered post (secret postal ballot is a constitutional requirement for Seanad elections) was to be continued, a cost of €6 per registered voter would arise. This doesn't take account of the cost of producing the necessary documentation, filling and addressing envelopes etc.;
 - counting the votes – clearly it would be a lot more costly to count 6.6 million votes than it did to count the votes at the 2011 Seanad panel members election (for which there were 1092 registered voters) for example; and
 - issuing of candidate information – at present candidates in the Seanad University constituencies are entitled to send one item free of postage costs to each voter on the register of electors for the constituency. These postage costs are met from the Central Fund. If it was decided to extend this facility to all Seanad election candidates, additional costs would arise. For reference, the 'freepost' costs for

the 2011 general election in the Seanad university constituencies was €1.56 million.

Seanad University Constituencies

Some analysis has also been undertaken in relation to arrangements for the election of six members of the Seanad by institutions of higher education in the State in line with the General Scheme of the Seanad Electoral (University Members) (Amendment) Bill published by the Minister for the Environment, Community and Local Government for public consultation in February 2014. Key issues are:

- At the 2011 Seanad elections, there were some 151,000 voters on the combined registers for the two university constituencies. There were 47 candidates. Election costs amounted to some €2.6 million.
- Under planned reforms it is proposed to create one constituency for the election of six Senators by all institutions of higher education in the State. It is estimated that up to 800,000 people would be entitled to register to vote under these new arrangements.
- However, based on the current rates of registration for the two university constituencies, it is estimated that some 270,000 of the 800,000 entitled to vote would actually do so.
- On the basis therefore of an electorate of 270,000, and 50 candidates (to reflect the expansion of the constituency to include all institutions of higher education in the State), the election costs could be in the region of €8.4 million, which represents an additional cost of €5.8 million. Election costs include issuing the ‘litir um thoghcháin’ (which is sent by each candidate to each person on the electoral register and the postage costs are met from the Central Fund); issuing and receiving ballot papers and election overheads. This figure does not include set-up and ongoing costs for a new register of electors.

10.19 Please provide the revenue gains if commercial rates were applied to Oireachtas Members’ constituency offices.

Research of 8 constituency offices found by calculation that the annual rates for these in 2015 would be €13,496.43. This exercise would yield approximately €280,000 in rates in respect of 166 Deputies and €101, 200 in respect of 60 senators, if all deputies and senators had an office which some don’t. **The total would be €381,000 for the 216 members of both houses.** This is the best estimate available based on the hypothesis that all the members of both Houses have an office and that the valuations would be generally in line with the sample group.

10.20 Please provide the cost savings from abolishing Oireachtas Members’ ability to claim expenses for constituency offices.

Claims fluctuate greatly from year to year. Total paid under current Dáil from 2011 to date: €410,677.

10.21 On the assumption that the current constitutional restrictions were lifted, please provide an estimate of the cost savings from a further reduction in the number of TDs to (a) 100; (b) 130.

The figures below are based only on those payments that all TDs receive - i.e. salary and Parliamentary Standard Allowance (PSA). The savings relating to PSA are based on expenditure to end of 2014 and do not take into account that, in the event of a reduction in the number of TDs, the geographic spread of TDs would change. The Travel & Accommodation Allowance (part of the PSA) is based on distance to Leinster House and, in the absence of any solid geographical breakdown of the dispersal of TDs, it is not possible to give an accurate figure. Consequently, the PSA savings were obtained by dividing the PSA expenditure in 2014 by 166 and multiplying by 100 and 130 respectively.

100 TDs: salary savings - €5.8m. approx.; savings under PSA: €2.5m. approx.

30 TDs: salary savings - €3.1m. approx.; savings under PSA: €1.4m. approx.

11. Social Protection

Note: All of the costings below are subject to change over the coming months in the context of emerging trends and associated revision of the estimated numbers of recipients for 2016.

11.1 Ready Reckoner

- To provide, in tabular format, a ready reckoner that outlines the cost of each €1 change in personal and qualified adult rates of each individual scheme operated by the Department of Social Protection.

| Indicative Cost of Each €1 Change in Personal and IQA Rates (proportionate increases for Qualified Adults) | | | | |
|-------------------------------------------------------------------------------------------------------------------|---------------|------------------------|-------------------------------|---------------------|
| Payment | | Personal €m | Qualified Adult €m | Total €m |
| <u>Social Insurance Schemes</u> | | | | |
| State Pension (Contributory) | | € 17.05 | € 3.46 | € 20.51 |
| Widow/er's or Surviving Civil Partner's (Con) Pension | | | | |
| | Under 66yrs | € 1.56 | | € 1.56 |
| | Over 66Yrs | € 4.33 | | € 4.33 |
| Deserted Wife's Benefit | | | | |
| | Under 66yrs | € 0.24 | | € 0.24 |
| | Over 66Yrs | € 0.13 | | € 0.13 |
| Invalidity Pension | | | | |
| | Under 66yrs | € 2.81 | € 0.28 | € 3.09 |
| | Over 66Yrs | N/A | € 0.03 | € 0.03 |
| Guardian's Payment (Contributory) | | € 0.04 | | € 0.04 |
| Death Benefit Pension | | € 0.03 | | € 0.03 |
| Disablement Pension | | € 0.32 | | € 0.32 |
| Illness Benefit | | € 2.78 | € 0.21 | € 2.99 |
| Injury Benefit | | € 0.07 | € 0.01 | € 0.07 |
| Incapacity Supplement | | € 0.05 | € 0.01 | € 0.06 |
| Jobseeker's Benefit | | € 2.14 | € 0.21 | € 2.35 |
| Carer's Benefit | | € 0.08 | € - | € 0.08 |
| Health and Safety Benefit | | € 0.00 | € 0.00 | € 0.00 |
| Maternity & Adoptive Benefit | | € 1.10 | € - | € 1.10 |
| <u>Social Assistance Schemes</u> | | | | |
| State Pension (Non Con) | | € 4.98 | € 0.11 | € 5.09 |
| Blind Person's Pension | | € 0.07 | € 0.00 | € 0.08 |
| Widow/ers or Surviving Civil Partner's (Non-Con) Pension | | € 0.09 | | € 0.09 |
| Deserted Wife's Allowance | | € 0.01 | | € 0.01 |
| One-Parent Family Payment | | € 2.70 | | € 2.70 |
| Carer's Allowance | | | | |
| | Under 66yrs | € 1.62 | € - | € 1.62 |
| | 66yrs or Over | € 0.09 | € - | € 0.09 |
| Half Rate Carer's Allowance | | € 0.44 | | € 0.44 |

| | | | | |
|---------------------------------------------------|---------------|--------------|-------------|--------------|
| | 66yrs or Over | € 0.22 | | € 0.22 |
| Guardian's Payment (Non-Contributory) | | € 0.02 | | € 0.02 |
| Jobseeker's Allowance - Long Term | | € 6.93 | € 1.67 | € 8.60 |
| Jobseeker's Allowance - Short Term | | € 3.52 | € 0.75 | € 4.28 |
| JA under 25 on €100 rate | | € - | € - | € - |
| JA under 26 on €144 rate | | € 0.21 | € 0.01 | € 0.23 |
| Pre-Retirement Allowance | | € 0.07 | € 0.01 | € 0.08 |
| Disability Allowance | | € 5.95 | € 0.35 | € 6.31 |
| Farm Assist | | € 0.49 | € 0.16 | € 0.65 |
| Employment Support Schemes (BTWA & BTEA) | | € 1.34 | € 0.15 | € 1.49 |
| Employment/Internship Schemes (CE, Tús, RSS etc.) | | € 2.40 | € 0.27 | € 2.67 |
| Supplementary Welfare Allowance | | € 0.66 | € 0.11 | € 0.77 |
| TOTAL | | 64.56 | 7.81 | 72.37 |
| | | | | |

| Cost of €1 Change - Weekly Schemes | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| | Total €m |
| <u>Pensioners - Aged 66 years and over</u> | |
| State Pension (Contributory), Invalidity Pension (Aged 65), Widow/er's or Surviving Civil Partner's Contributory Pension, Deserted Wife's Benefit, State Pension (Non-Con), Carer's Allowance, Half Rate Carer's Allowance | € 30.41 |
| <u>Working Age - Aged under 66 years</u> | |
| <u>People With Disabilities</u> | |
| Invalidity Pension, Disability Allowance, Blind Pension, Incapacity Supplement, Disablement Pension | € 9.85 |
| <u>Carers</u> | |
| Carer's Allowance, Half Rate Carer's Allowance, Carer's Benefit | € 2.14 |
| <u>All Other Rates*</u> | |

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Widow/er's Pension or Surviving Civil Partner's (Contributory), Deserted Wife's Benefit, Death Benefit Pension, Jobseeker's Benefit, Illness Benefit, Health & Safety Benefit, Injury Benefit, Guardian's Payment (Contributory), Jobseeker's Allowance, Pre-Retirement Allowance, Widow/er's or Surviving Civil Partner's Pension (Non-Con), Deserted Wife's Allowance, Farm Assist, One Parent Family Payment, SWA, Guardian's Payment (Non-Con), Part Time Job Incentive | € 24.72 |
| Employment/Educational Supports | |
| Back To Work Allowance, Back To Education Allowance, Community Employment Programme, TÚS, Rural Social Scheme, JobBridge, Jobs Initiative | € 4.16 |
| <u>Sub-total</u> | € 71.27 |
| <u>Maternity/Adoptive Benefit</u> | |
| €1 change | € 1.10 |
| <u>Overall Total - including Pensioners</u> | € 72.37 |

Note: The above costings include proportionate increases for qualified adults, normally circa 66% of the personal rate but higher in the case of pensioners.

11.2 The additional cost of linking all State contributory and non-contributory pensions, including the Living Alone Allowance, the Over 80 Allowance, and the Island Allowance to the Harmonised Index of Consumer Prices in the years 2016 to 2021, the years 2017 to 2021, and the years 2018 to 2021.

The Harmonised Index of Consumer Prices, 2016 to 2020 (used in the tables below), is sourced from the Stability Pact Update which was published in April, 2015. The costings do not take into account increases in the number of pensioners from 2017 onwards. Costings include the cost of proportionate increases in the qualified adult rates of payment.

Cost of Pension Rate Increases linked to the Harmonised Index of Consumer Prices, 2016 to 2020

| | 2016 – 1.1% €m | 2017 – 1.5% €m | 2018 – 1.7% €m | 2019 – 1.9% €m | 2020 – 1.9% €m |
|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| State Pension (Non-Contributory) | 11.68 | 16.30 | 18.84 | 21.48 | 21.87 |

| | | | | | |
|-------------------------------------------------------------------------------------------------|--------------|---------------|--------------|---------------|---------------|
| State Pension (Contributory) | 49.43 | 74.05 | 91.68 | 111.07 | 122.48 |
| Widows', Widowers' / Surviving Civil Partners' Pension (Contributory) – Aged 66 and Over | 10.46 | 15.16 | 18.16 | 21.40 | 22.78 |
| Deserted Wife's Benefit – Aged 66 and Over | 0.31 | 0.45 | 0.56 | 0.67 | 0.73 |
| Death Benefit Pension – Aged 66 and Over | 0.04 | 0.06 | 0.06 | 0.07 | 0.07 |
| Total | 71.92 | 106.03 | 12.30 | 154.69 | 167.93 |

Proposed Monetary Weekly Increases which are linked to the Harmonised Index of Consumer Prices, 2016 to 2020

| | 2016 – 1.1% € | 2017 – 1.5% € | 2018 – 1.7% € | 2019 – 1.9% € | 2020 – 1.9% € |
|-------------------------------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| State Pension (Non-Contributory) | 2.30 | 3.21 | 3.71 | 4.23 | 4.31 |
| State Pension (Contributory) | 2.42 | 3.38 | 3.90 | 4.44 | 4.53 |
| Widows', Widowers' / Surviving Civil Partners' Pension (Contributory) – Aged 66 and Over | 2.42 | 3.38 | 3.90 | 4.44 | 4.53 |
| Deserted Wife's Benefit – Aged 66 and Over | 2.42 | 3.38 | 3.90 | 4.44 | 4.53 |
| Death Benefit Pension – Aged 66 and Over | 2.47 | 3.44 | 3.98 | 4.53 | 4.61 |

Living Alone Allowance⁴ Increases for Pension Schemes linked to the Harmonised Index of Consumer Prices, 2016 to 2020

| | 2016 – 1.1% €m | 2017 – 1.5% €m | 2018 – 1.7% €m | 2019 – 1.9% €m | 2020 – 1.9% €m |
|------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| State Pension (Non-Contributory) | 0.17 | 0.24 | 0.28 | 0.31 | 0.31 |
| State Pension (Contributory) | 0.37 | 0.51 | 0.58 | 0.66 | 0.66 |
| Widows', Widowers' / Surviving Civil Partners' Pension (Contributory) – Aged 66 and Over | 0.26 | 0.37 | 0.42 | 0.47 | 0.47 |
| Deserted Wife's Benefit – Aged 66 and Over | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 |
| Death Benefit Pension – Aged 66 and Over | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.81 | 1.13 | 1.29 | 1.45 | 1.45 |

Proposed Monetary Weekly Increases in the Living Alone Allowance which are linked to the Harmonised Index of Consumer Prices, 2016 to 2020

| | 2016 – 1.1% € | 2017 – 1.5% € | 2018 – 1.7% € | 2019 – 1.9% € | 2020 – 1.9% € |
|------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| State Pension (Non-Contributory) | 0.10 | 0.14 | 0.16 | 0.18 | 0.18 |
| State Pension (Contributory) | 0.10 | 0.14 | 0.16 | 0.18 | 0.18 |
| Widows', Widowers' / Surviving Civil Partners' Pension (Contributory) – Aged 66 and Over | 0.10 | 0.14 | 0.16 | 0.18 | 0.18 |
| Deserted Wife's Benefit – Aged 66 and Over | 0.10 | 0.14 | 0.16 | 0.18 | 0.18 |
| Death Benefit Pension – Aged 66 and Over | 0.10 | 0.14 | 0.16 | 0.18 | 0.18 |

⁴ The Living Alone Allowance is also paid (when applicable) to recipients of Widow/er's/Surviving Civil Partner (Non-Con) Pension, Invalidity Pension, Disability Allowance and Blind Pension

Over 80 Allowance Increases for Pension Schemes linked to the Harmonised Index of Consumer Prices, 2016 to 2020

| | 2016 – 1.1% €m | 2017 – 1.5% €m | 2018 – 1.7% €m | 2019 – 1.9% €m | 2020 – 1.9% €m |
|-------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| State Pension (Non-Contributory) | 0.19 | 0.26 | 0.30 | 0.35 | 0.35 |
| State Pension (Contributory) | 0.44 | 0.60 | 0.68 | 0.80 | 0.80 |
| Widows', Widowers' / Surviving Civil Partners' Pension (Contributory) – Aged 66 and Over | 0.22 | 0.30 | 0.34 | 0.39 | 0.39 |
| Deserted Wife's Benefit – Aged 66 and Over | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Death Benefit Pension – Aged 66 and Over | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.85 | 1.17 | 1.32 | 1.56 | 1.56 |

Proposed Monetary Weekly Increases in the Over 80 Allowance which are linked to the Harmonised Index of Consumer Prices, 2016 to 2020

| | 2016 – 1.1% € | 2017 – 1.5% € | 2018 – 1.7% € | 2019 – 1.9% € | 2020 – 1.9% € |
|------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| State Pension (Non-Contributory) | 0.11 | 0.15 | 0.17 | 0.20 | 0.20 |
| State Pension (Contributory) | 0.11 | 0.15 | 0.17 | 0.20 | 0.20 |
| Widows', Widowers' / Surviving Civil Partners' Pension (Contributory) | 0.11 | 0.15 | 0.17 | 0.20 | 0.20 |
| Deserted Wife's Benefit | 0.11 | 0.15 | 0.17 | 0.20 | 0.20 |
| Death Benefit Pension | 0.11 | 0.15 | 0.17 | 0.20 | 0.20 |

11.3 To provide an estimate, in tabular format, of the savings estimated from the reduction in Jobseekers Allowance as a result of improvements in the labour market for the years 2016 to 2021 inclusive.

The estimated average weekly number of persons on the Live Register (LR) underpinning the Budget 2015 estimate for the Department of Social Protection is 337,800. There is no estimate, at this stage, of the average weekly number of persons on the LR for 2016 and later years and, by definition, no estimate of the numbers of persons in receipt of a Jobseeker's Allowance or Benefit payment in those years. The estimate for 2016 and the associated resources required will be agreed in a budgetary context later this year with the Department of Public Expenditure and Reform having regard to the latest economic projections on the labour market.

It should be noted that not every recipient of a jobseeker's allowance or benefit payment is on the Live Register e.g. persons aged 65, recipients of a jobseeker's transition payment etc. and that persons on the LR include persons in receipt of a credited contribution only.

As at w/e 24th July, 2015, the number of recipients of a jobseekers' payment was equivalent to approximately 88.6% of the headline LR. Based on the number of payments made and the average cost in that week, each reduction of 1,000 Jobseeker's Allowance payment recipients would save €10.3 million, while a reduction of 1,000 Jobseeker's Benefit payment recipients would save €10 million.

11.4 On this basis, to provide an estimate of the cost of increasing Jobseekers Benefit and Jobseekers Allowance in line with HICP for the years 2017 to 2021 inclusive.

Accordingly, an increase in the rates of JA and JB based on the projected HICP for the years 2017 to 2020 inclusive would cost:

- In the case of JA, an additional €0.15 million in 2017, €0.18 million in 2018, €0.20 million in 2019 and €0.21 million in 2020, per 1,000 payment recipients.
- In the case of JB, an additional €0.15 million in 2017, €0.17 million in 2018, €0.20 million in 2019 and €0.20 million in 2020, per 1,000 payment recipients.

11.5 The savings from reducing Jobseeker's Allowance by €8 for each 12 month period on Jobseekers Allowance for all those aged 26 and over, until a minimum payment of €148 is reached.

The savings, based on the number of recipients at w/e July 24, 2015 is estimated as follows:

| | Duration of payment | | | | | |
|-----------------------------|---------------------|-----------------|-----------------|-----------------|-----------------|----------------|
| | 0 to 12 months | 13 to 24 months | 25 to 36 months | 37 to 48 months | 49 to 60 months | Over 60 months |
| Number of Recipients | 71,411 | 36,843 | 23,810 | 17,941 | 16,054 | 53,572 |

| | | | | | | |
|----------------------------------------------|-------|---------|---------|---------|---------|----------|
| Reduction in personal rate of payment | €0.00 | -€8.00 | -€16.00 | -€24.00 | -€32.00 | -€40.00 |
| Savings €m | €0.00 | €15.33m | €19.81m | €22.39m | €26.71m | €111.43m |

Note: The actual costs/savings which would be realised if the measures above were implemented would depend on the number of persons entitled to a jobseekers' payment in any given year (as well as the duration of such recipients in the case of the final costing).

11.6 The number of carers in receipt of carer's, half carer's, domiciliary care allowance (and any other related care payment) by age profile; the number of these carers in receipt of respite care grants; the number of respite hours (estimate) these carers receive annually?

The tables do not provide information on the number of the carers in receipt of the Respite Care Grant, as the Grant is automatically paid on the relevant date to all recipients of Carer's Allowance, Carer's Benefit and Domiciliary Care Allowance. (It is also paid to other carers not in receipt of a welfare payment, through an application process.) See Appendix 3.

11.7 The cost of every week's respite to carers broken down by above welfare payment type, and further broken down by age profile in each category

Please note that the Respite Care Grant is paid as an annual grant and carers can use it as they see fit. They are not required to use it to purchase respite care. The Department has no information on respite services provided by the Department of Health, HSE or other bodies. See Appendix 3.

11.8 To outline the cost of introducing each 1,000 additional Community Employment Scheme places.

The cost of an additional 1,000 CE places would be €14.8 million in total or €3.4 million net of qualifying social welfare payments.

11.9 To outline the cost of supporting each 1,000 additional Jobs Bridge places.

The cost of an additional 1,000 JobBridge places would be €12.3 million in total or €2.6 million net of qualifying social welfare payments.

11.20 To outline the cost of extending the JobsPlus scheme to support 10,000 jobs with increased levels of incentive of €8,500 for hiring someone between one year and two years unemployed, and €13,000 for someone over two years unemployed.

Current provision:

The 2015 provision for JobsPlus is €25.5 million to support 6,000 employees. Currently, two levels of grant are payable:

- €10,000 paid over 24 months for jobseekers who are two years or more on the live register, and
- €7,500 paid over 24 months for jobseekers who are one to two years unemployed, young jobseekers or jobseekers transitioning from a one-parent family payment.

The estimated cost of maintaining JobsPlus at the level of 6,000 employees is €27.225 million in 2016.

Costs:

1. Assuming that the existing 6,000 employees supported by JobsPlus as of 1st January 2016 remain at the current subsidy rates, the estimated cost of subsidising **an additional 4,000 employees** at the proposed rates of support is **€22.67 million in a full year**.
2. If the new subsidy rates were also to apply to **the existing 6,000 employees** supported by JobsPlus, this would cost an additional **€6.78 million** in a full year.
3. It should be noted that the first and second year costs would depend on (a) on how quickly the additional places would roll out, and (b) how quickly the existing JobsPlus subsidies would transfer to the higher subsidy rates.

11.21 Description: Increasing the basic weekly rate of the fuel allowance to support the elderly. To outline, in tabular format, the full year cost of each additional week of eligibility for the Fuel Allowance from 26-32 weeks.

Increasing Fuel Allowance (for pensioners only) by 6 weeks, from 26-32 weeks

| Number of Weeks | Cost of 1 Additional Week €m | Cumulative Cost €m |
|------------------------|-----------------------------------------|-------------------------------|
| 1 | 3.17 | 3.17 |
| 2 | 3.17 | 6.34 |
| 3 | 3.17 | 9.50 |
| 4 | 3.17 | 12.67 |
| 5 | 3.17 | 15.84 |
| 6 | 3.17 | 19.01 |

Increasing Fuel Allowance (for all recipients) by 6 weeks, from 26-32 weeks

| Number of Weeks | Cost of 1 Additional Week €m | Cumulative Cost €m |
|------------------------|-----------------------------------------|-------------------------------|
| 1 | 7.88 | 7.88 |
| 2 | 7.88 | 15.76 |
| 3 | 7.88 | 23.65 |
| 4 | 7.88 | 31.53 |
| 5 | 7.88 | 39.41 |
| 6 | 7.88 | 47.29 |

Note: The rates and duration of the Fuel Allowance scheme have not varied heretofore on a scheme by scheme basis.

Policy description: To increase the rent allowance ceilings to address current housing pressures.

Parameters/assumptions: Number of claimants continues to increase at current Department projections.

11.22 The cost, in tabular form, for every €10 increase (up to €150) in the existing rent supplement limits in each county starting from January 2016.

The costs are outlined at Appendix 4 of this document. Increases in Rent Supplement rent limits are likely to have knock-on costs for the Housing Assistance Payment (HAP) operated by Local Authorities.

Extension of Free Travel:

To address an apparent anomaly whereby a carer may get free travel but a disabled child may not qualify.

11.23 The cost of extending free travel to all children with disabilities who qualify for the domiciliary care allowance and are in receipt of a primary qualifying payment (both existing and prospective claimants).

It is not possible to give a precise cost for this proposal. There are currently 30,000 children in respect of whom Domiciliary Care Allowance (DCA) is paid to 28,000 families. Over a half of these (55%) recipients are also in receipt of Carer's Allowance (a personal Free Travel Pass is available to all Carer's Allowance recipients). If DCA were to be a qualifying social welfare payment for Free Travel,

this would add 30,000 children to the scheme. If DCA recipients who are also in receipt of Carer's Allowance were included in Free Travel, this would add some 16,000 children to the scheme.

The introduction of a new eligible group to the Free Travel scheme would have to be negotiated with the transport providers, and given the funding freeze for the scheme since 2010, it is difficult to predict the additional financial cost. Without the funding freeze, the rate for children could perhaps be negotiated at a lower rate given that transport providers have lower fares for children.

Child Benefit

11.24 The cost / saving of increasing / decreasing child benefit by €1 in 2016 taking into account current demographic projections.

The cost of each €1 increase in Child Benefit in 2016 is €14.31 million. Estimates for 2017 and later years are not available at this stage.

Reversal of all cost saving measures:

Policy description: To restore all Department of Social Protection Payments that were reduced since the financial crisis started in 2008.

11.25 To list, in tabular form, each reduction to a Department of Social Protection scheme since Budget 2009 (October 2008) and to outline the cost of restoring each of these payments back to their 2008 levels.

It is not possible within the timeframe provided to cost the significant number of measures introduced since 2009. The tables below list the expenditure reduction measures from Budgets 2009 to 2014 inclusive, with the associated savings estimated at the time. It should be noted that the cost of reversing these measures could be higher or lower than the estimates prepared at the time, having regard to trends in recipient numbers, demographic pressures and developments in the labour market and the wider economy.

Table 1: Details of DSP Budget Package 2014

| BUDGET 2014 Measures | 2014 €m | 2015 €m | 2016 €m | 2017 €m | Full Year €m |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|
| 1. Bereavement Grant Discontinue payment of the €850 Bereavement Grant in respect of deaths on or after 1 Jan 2014. | 17 | 22 | 22 | 22 | 22 |
| 2. Jobseeker's Allowance and SWA Apply the reduced €100 rate of Jobseeker's Allowance and SWA (currently applicable to 18 to 21 year olds) to persons without children who reach the age of 22 from Jan 2014 and to new claimants aged 23 and 24 also from Jan 2014. AND Apply the reduced €144 rate of Jobseeker's Allowance and SWA (currently applicable to 22 to 24 year olds) to persons without children who reach the age of 25 from Jan 2014. | 32 | 52 | 64 | 72 | 72 |

| | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|
| BTEA maximum rate for 25 year olds to be reduced to €160 per week for relevant new entrants. The lower rates of JA will apply to persons aged 25 and under who have exhausted their entitlement to JB. | | | | | |
| 3. Activation Activation Savings. | 10 | 10 | 10 | 10 | 10 |
| 4. Maternity & Adoptive Benefit Standardise the minimum and maximum rates of Maternity & Adoptive Benefit at €230 per week (this means an increase of up to €12.20 for those receiving the less than €230 per week and a reduction of up to €32 per week for all other claimants). Applies to new claimants only from Jan 2014. Existing claimants will not be affected. | 30 | 36 | 36 | 36 | 36 |
| 5. Exceptional Needs Payments Reduce the expenditure on the exceptional needs payment scheme by €2.1m in 2014 and in each subsequent year by a general review of payments under the scheme to ensure consistency with regard to payment levels on a national basis. | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |
| 6. Diet Supplement Discontinue the Diet Supplement Scheme for new recipients from 1 January 2014. Existing recipients are unaffected. | 0.4 | 1 | 1.3 | 1.7 | 3.2 |
| 7. Employment Supports Efficiencies in employment supports schemes. | 12 | 12 | 12 | 12 | 12 |
| 8. Recovery of Social Welfare Payments Provide that welfare benefits paid by the department to individual, arising from an accident or injury are repaid to the department (by insurers) in those cases where the insured person has also been compensated for the same via a settlement. | 21 | 22 | 22 | 22 | 22 |
| 9. Illness Benefits Increase the number of waiting days for entitlement to Illness Benefit from 3 days to 6 days, from Jan 2014. | 22 | 22 | 22 | 22 | 22 |
| 10. Invalidity Pension In line with the abolition of the State Pension Transition from Jan 2014, discontinue the personal weekly rate of €230.30 payable to Invalidity Pensioners at age 65 and align with the personal weekly rate of €193.50 currently payable to Invalidity Pensioners aged under 65. This measure to apply to persons reaching their 65th birthday from Jan 2014. AND Discontinue the qualified adult weekly rate of €206.30 payable to qualified adults who are aged | 5 | 9 | 9 | 9 | 10 |

| | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------|--------------|---------------|------------|
| 66 or over of Invalidity Pensioners and align with the qualified adult weekly rate of €138.10 currently payable to qualified adults who are aged under 66 of Invalidity Pensioners. This measure to apply to qualified adults reaching their 66th birthday from Jan 2014. | | | | | |
| 11. Back to School Clothing and Footwear Allowance The abolition of payment of the Back to School Clothing and Footwear Allowance (BSCFA) for children over the age of 18 years, other than those attending secondary school, for 2014 and subsequent years. | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| 12. Rent & Mortgage Interest Supplement Increase the minimum contribution for couples by €5 from €35 to €40 further aligning Rent Supplement contributions with the Local Authority rents structure, for new and existing recipients. This also applies to Mortgage Interest Supplement, from Jan 2014. | 6 | 7.1 | 7.1 | 7.1 | 7.1 |
| 13. Mortgage Interest Supplement Discontinue the Mortgage Interest Supplement scheme for new applicants and allow a winding down of the current MIS recipient base over a four year period, from Jan 2014. | 12 | 16 | 20 | 24 | 30 |
| 14. Household Benefits - Telephone Allowance Discontinue the Telephone Allowance for all recipients, from Jan 2014. The current value of the Allowance is €9.50 per month. | 44 | 46.7 | 46.9 | 47.1 | 47.1 |
| 15. Household Benefits - Free TV Licence Reduce the annual payment to RTÉ for the Free TV Licence from €59.17 million to €54.17 million. | 5 | 5 | 5 | 5 | 5 |
| 16. Fraud and Control Additional Fraud and Control Measures. | 30 | 30 | 30 | 30 | 30 |
| 17. Administrative Savings Additional administrative savings. | 5 | 5 | 5 | 5 | 5 |
| 18. ELS Technical Adjustment ELS Technical Adjustment | 34 | 34 | 34 | 34 | 34 |
| | | | | | |
| BUDGET 2014 NET EXPENDITURE REDUCTION | 290 | 334.4 | 350.9 | 363.50 | 372 |

Table 2: Details of DSP Budget Package 2013

| BUDGET 2013 Measures | 2013 €m | 2014 €m | 2015 €m | Full Year €m |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|--------------------|
| <u>Expenditure Reduction Measures</u> | | | | |
| <p>1. Jobseeker's Benefit: The duration of Jobseeker's Benefit has been reduced from (a) 12 months to 9 months for recipients with 260 or more contributions paid and (b) 9 months to 6 months for recipients with less than 260 contributions paid.</p> | 33.00 | 81.50 | 81.50 | 81.50 |
| <p>2. Farm Assist: The rate assessment of means from self-employment, including farming, was raised from 85% to 100%. The deductions from income for children are being discontinued (currently €127 per year for each of the first two dependent children and €190.50 per year for each subsequent child).</p> | 3.75 | 5.00 | 5.00 | 5.00 |
| <p>3. Redundancy Payments Scheme: The employer rebate element (15%) of the statutory redundancy scheme has been discontinued.</p> | 25.00 | 30.00 | 30.00 | 30.00 |
| <p>4. Supplementary Welfare Allowance: Reductions in expenditure on Exceptional Needs Payments.</p> | 5.50 | 5.50 | 5.50 | 5.50 |
| <p>5. Back to Education Allowance:</p> <ul style="list-style-type: none"> - The €300 Cost of Education Allowance payable to Back to Education Allowance participants has been discontinued for new and existing participants. | 7.80 | 7.80 | 7.80 | 7.80 |
| <ul style="list-style-type: none"> - The up-rating of the Back to Education Allowance payable rate where the person was on a reduced rate of a qualifying payment because of means has been discontinued for new participants. | 2.00 | 6.40 | 10.90 | 11.60 |
| <ul style="list-style-type: none"> - The up-rating of the Back to Education Allowance payable rate from €188 per week to €160 where the person was on a reduced age related rate of Jobseeker's Allowance (€100 or €144 per week) has been reduced for new participants. | 0.80 | 2.50 | 4.20 | 4.54 |
| <p>6. Respite Care Grant: The Respite Care Grant has been reduced by €325, from €1,700 to €1,375 for new and existing recipients.</p> | 26.15 | 26.15 | 26.15 | 26.15 |
| <p>7. Child Benefit: The monthly rate of Child Benefit was reduced by €10 per child in respect of the first, second and third child. From January 2013, the monthly rate for each of the first three children was €130. The monthly rate will reduce by €10 per child, to €130, in respect of the fourth and each subsequent child from January 2014.</p> | 136.00 | 142.47 | 142.47 | 142.47 |
| <p>8. Back to School Clothing and Footwear Allowance:</p> | 16.80 | 16.80 | 16.80 | 16.80 |

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|
| The rates of BSCFA reduced by €50, from €150 to €100 (children aged 4 to 11), and €250 to €200 (children aged 12 to 17 or aged 18 to 22 in full time education). | | | | |
| 9. Household Benefits Package: Gas and Electricity Allowance - The value of the Electricity / Gas element of the Household Benefits package has been restructured based on the average best rate available for an unchanged 150 units per month from Airtricity, Bord Gáis and Electric Ireland. The Allowance no longer covers the PSO contribution and the differentiated rates of payment (urban / rural) will no longer apply. | 20.00 | 22.60 | 22.60 | 22.60 |
| - Telephone Allowance – the value of the Telephone Allowance element of the Household Benefits package was reduced for new and existing recipients. | 61.00 | 61.00 | 61.00 | 61.00 |
| Fraud Control and Overpayment Measures: Additional fraud, control and overpayment measures were introduced. | 60.00 | 60.00 | 60.00 | 60.00 |
| Administrative Savings: The cost to the Department of medical certificates for illness and disability related schemes has been reduced. This is an administrative saving in the Department. | 5.00 | 5.00 | 5.00 | 5.00 |
| Increased funding provision for activation programmes and school meal provision | -13 | -28 | -28 | -28 |
| Subtotal Expenditure Reduction Measures | 390 | 445 | 451 | 452 |

Table 3: Details of DSP Budget Package 2012

| BUDGET 2012 Measures | 2012 €m | 2013 €m | 2014 €m | 2015 €m | Full Year |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|--------------|
| 1. Children & Families | | | | | |
| 1.1 Child Benefit: The grant of €635 paid at birth on all multiple births and further grants of €635 paid when the children are aged 4 and 12 was discontinued. | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 |
| 1.2 Child Benefit was maintained at €140 per month for the first two children. The rate for third and subsequent children was standardised at €140 per child per month from 2013. In 2012, the monthly rate for the third child is €148 and for the fourth and each subsequent child is €160. | 42.75 | 68.75 | 68.75 | 68.75 | 68.75 |
| 1.3 The age at which a child is eligible for the Back to School Clothing and Footwear Allowance increased from 2 to 4 years of age. | 9.3 | 9.3 | 9.3 | 9.3 | 9.3 |
| 1.4 The Back to School Clothing and Footwear Allowance was reduced from €305 to €250 | 17.0 | 17.0 | 17.0 | 17.0 | 17.0 |

| | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|---------------|---------------|---------------|
| (children over 12) and from €200 to €150 (children aged 4-11 years). | | | | | |
| 1.5 The upper age limit of the youngest child for new claimants of the One-Parent Family Payment will be reduced to 7 years on a phased basis. | 0.3 | 2.0 | 5.8 | 11.9 | 29.9 |
| 1.6 Where a person claiming Incapacity Pension, Carer's Benefit, State Pension (Contributory or Transition) or Incapacity Supplement has a spouse or partner with income of over €400 a week, payment of the half-rate increase in respect of a qualified child was discontinued. | 0.4 | 3.1 | 4.9 | 5.5 | 8.0 |
| Children & Families Total | 71.65 | 102.05 | 107.65 | 114.35 | 134.85 |
| 2. Working Age Payments | | | | | |
| 2.1 Where a Jobseeker's Benefit recipient is working for part of a week, the payment entitlement is now based on a 5 day week rather than a 6 day week. | 5.9 | 11.6 | 11.6 | 11.6 | 11.6 |
| 2.2 Sunday working will be taken into account when calculating the amount of Jobseeker's Benefit or Jobseeker's Allowance to be paid, from 2013. | 0.0 | 16.0 | 16.0 | 16.0 | 16.0 |
| 2.3 New applicants for Disablement Benefit must have a disability classified at > 15% to qualify for the payment. | 2.6 | 5.0 | 5.0 | 5.0 | 5.0 |
| 2.4 Restrict access to Exceptional Needs Payments . | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| 2.5 New applicants for Carer's Allowance , who are not living with the person for whom they are providing care, are no longer entitled to the Household Benefits package. | 1.0 | 2.2 | 3.7 | 5.2 | 5.9 |
| 2.6 The employer rebate of statutory Redundancy payments was reduced from 60% to 15%. | 81.0 | 122.0 | 104.0 | 104.0 | 104.0 |
| 2.7 Fuel Allowance season was reduced from 32 to 26 weeks. | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 |
| 2.8 Treatment Benefit - the frequency of the grant for hearing aids increased from 2 years to 4 years. Also, the maximum grant available for one hearing aid was reduced from €760 to €500 and for two, from €1,520 to €1,000. | 2.0 | 3.0 | 4.0 | 4.0 | 4.0 |
| 2.9 The training and materials grant for Community Employment participants reduced from €1,500 to €500 per participant per annum. | 28.05 | 28.05 | 28.05 | 28.05 | 28.05 |
| 2.10 The Cost of Education Allowance , the annual grant which accompanies the Back to Education Allowance, was reduce from €500 to €300. | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 |
| 2.11 Discontinue payment of the training budget for participants of Jobs Initiative and reduce the materials allowance by 50%. | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| 2.12 Farm Assist – the assessment of means from self-employment was raised from 70% to 85%. The deductions from income for children were halved to €127 per year for each of the first two | 5.15 | 5.15 | 5.15 | 5.15 | 5.15 |

| | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| dependent children and €190.50 per year for each subsequent child. | | | | | |
| <u>Working Age Payments Total</u>⁵ | 193.1 | 260.4 | 244.9 | 246.4 | 247.1 |
| 3. Securing Sustainable Pensions | | | | | |
| 3.1 A lower pension is payable to new applicants of State Pension (from Sept 2012) who have a yearly average of less than 48 PRSI cons. | 0.50 | 2.80 | 5.50 | 8.20 | 25.0 |
| 3.2 Currently, late claims for certain contributory pensions can be backdated for more than 12 months provided the relevant qualifying conditions are fulfilled. The backdating period will be reduced to a max of 6 months. | 18.50 | 27.20 | 27.20 | 27.20 | 27.2 |
| 3.3 The total number of paid PRSI contributions needed to qualify for Widow(er)'s Contributory Pension and Surviving Civil Partner's Contributory Pension will increase from 156 to 260 contributions. | 0.00 | 0.50 | 5.11 | 10.16 | 20.28 |
| <u>Securing Sustainable Pensions Total</u> | 19.0 | 30.5 | 45.56 | 72.48 | 72.48 |
| 4. Concurrent Payments | | | | | |
| 4.1 Currently, a person who gets a Widow(er)'s Pension, Surviving Civil Partner's Pension or One Family Parent Payment may be entitled to half rate Jobseeker's Benefit, Illness Benefit or Incapacity Supplement . These half rate payments will cease for new applicants. | 12.0 | 22.6 | 22.6 | 22.6 | 22.6 |
| 4.2 New participants on Community Employment schemes will not be able to claim another social welfare payment at the same time. | 9.0 | 26.3 | 43.7 | 61.2 | 61.2 |
| 4.3 Payment of two qualified child increases where the person is on a Community Employment Scheme and One Parent Family Payment, Deserted Wife's Allowance/Benefit or Widow(er)'s Pensions will be discontinued for new and existing recipients. | 6.25 | 6.25 | 6.25 | 6.25 | 6.25 |
| <u>Concurrent Payments Total</u> | 27.25 | 55.15 | 72.55 | 90.05 | 90.05 |
| | | | | | |
| 5. Fraud & Control Measures | 41.0 | 41.0 | 41.0 | 41.0 | 41.0 |
| 6. Rent & Mortgage Interest Supplements | | | | | |
| 6.1 The minimum contribution by single tenants for Rent Supplement scheme increased by €6 to €30 per week. The minimum contribution payable by couples increased to €35 per week. Rent limits also reviewed. | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |
| 6.2 The minimum contribution for the purposes of the Mortgage Interest Supplement (MIS) scheme increased by €6 to €30 per week for a single | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 |

⁵ Also announced were two measures relating to the Disability Allowance scheme. These measures were subsequently referred to the Advisory Group on Tax and Social Welfare, who published their report in April 2013

| | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------|--------------|--------------|--------------|
| person, and by €5 to €35 for couple. In addition, payment of MIS will be deferred for 12 months while the person engages with the Mortgage Arrears Resolution Process. | | | | | |
| Rent & Mortgage Interest Supplements Total | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 |
| 7. Means Testing | | | | | |
| 7.1 For new and existing claimants, income from employment as a home help funded by the HSE is now assessed in means tests for Social Assistance schemes . | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| 7.2 The amount of earnings disregarded for the purposes of the OPFP means test reduced from €146.50 to €130 per week in 2012 for all recipients. Further reductions will be introduced over the following 4 years. | 14.2 | 32.0 | 50.0 | 63.0 | 76.1 |
| 7.3 Income from weekly carers payments is now included for the purposes of calculating entitlement to Family Income Supplement in line with other welfare payments. | 0.5 | 1.06 | 1.06 | 1.06 | 1.06 |
| 7.4 Transitional payment where One Parent Family Payment recipient's earnings exceed €425 per week was discontinued. Existing recipients not affected. | 0.8 | 1.03 | 1.03 | 1.03 | 1.03 |
| Means Testing Total | 20.5 | 39.09 | 57.09 | 70.09 | 83.19 |
| 8. Miscellaneous Savings | | | | | |
| 8.1 Savings will be achieved on the Electricity/Gas Allowance of the Household Benefits Package . | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |
| 8.2 The Administration cost to the Dept. of medical certs for illness and disability related schemes reduced by 10%. | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Miscellaneous Savings Total | 18.0 | 18.0 | 18.0 | 18.0 | 18.0 |
| OVERALL TOTAL | 468 | 624 | 657 | 703 | 764 |

Table 4: Details of DSP Budget Package 2011

| Budget Measure | 2011 €m | 2012 €m | 2013 €m | 2014 €m |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|
| 1. €10 per month reduction on both lower and higher Child Benefit rates with an additional €10 per month reduction for 3rd child only. New rates of €140 (first and second child), €167 (third child only) and €177 (fourth and subsequent child). | 149.38 | 149.38 | 149.38 | 149.38 |
| 2. Weekly Rates of Payment – a reduction of €8 per week in most payments to people aged under 66 with proportionate reductions for qualified adults. However, the rate of Supplementary Welfare Allowance was reduced by €10 per week and the rate of Jobseeker's Allowance for those aged 22 to 24 years was reduced by €6 per week. The rate of | 384.51 | 384.51 | 384.51 | 384.51 |

| | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|
| Jobseeker's Allowance for those aged 18 to 21 years was maintained at €100 per week. | | | | |
| 3. The discontinuation of most elements of the Treatment Benefit scheme was extended over the period up to 2014. | 76.75 | 76.75 | 76.75 | 76.75 |
| 4. Efficiency savings in the energy and communications elements of the Household Benefits Package. | 30.00 | 30.00 | 30.00 | 30.00 |
| 5. Reform of the Rent Supplement scheme including €2 per week increase in the minimum contribution for all non SWA basic recipients - consequent on the extra €2 reduction in SWA. | 60.00 | 60.00 | 60.00 | 60.00 |
| 6. Activation Measures – enhanced activation. | 100.00 | 100.00 | 100.00 | 100.00 |
| 7. Other Measures – various other measures | 49.36 | 68.05 | 76.61 | 81.04 |
| 8. Savings from efficiencies in administration | 11.00 | 11.00 | 11.00 | 11.00 |
| 9. Savings on FÁS Employment Programmes . These savings are consequential on social welfare rates. | 12.00 | 12.00 | 12.00 | 12.00 |
| Overall Total | 873 | 892 | 900 | 905 |

Table 5: Savings Measures - Budget 2010

| Summary description of adjustment | Saving 2010 €m | Full Year €m |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------|
| 1. Child Income Support | | |
| A reduction of €16 per month in both the Lower and Higher Child Benefit Rates, bringing the Lower Rate from €166 to €150 per month and the Higher Rate from €203 to €187 per month. | 221.10 | 221.10 |
| <u>Less Compensatory measures:</u> | | |
| An increase of €3.80 per week in the rate of Qualified Child Increase , from €26 per week to €29.80. | -84.03 | -84.03 |
| An increase of €6 per week per child in all Family Income Supplement weekly earnings thresholds. | -14.54 | -14.54 |
| Child Income Support Total | 122.53 | 122.53 |
| 2. Weekly Rates of Payment | | |
| Weekly Personal Rates of Payment – A reduction of €8.30 in the weekly personal rate of Jobseeker's Benefit and Allowance, Invalidity Pension (under 65 years), Widow/er's (Contributory) Pension (aged under 66 years), Widow/er's Non-Contributory Pension, Deserted Wife's Benefit (under 66 years) and Allowance, Illness Benefit, Incapacity Supplement, Health and Safety Benefit, Injury Benefit, Pre Retirement Allowance, Disability Allowance, Blind Pension, Farm Assist, One-Parent Family Payment, Supplementary Welfare Allowance, Back to Work Allowance and Back to Education Allowance. Lowest rate of €196 per week down from €204.30. Reduction of €8.20 per week in the rates of Death Benefit Pension (aged under 66) and Carer's Benefit. A reduction of €8.40 per week in Disablement Pension and a reduction of €8.50 per week in the rate of Carer's Allowance. A €7.50 (4.2%) reduction in the rate of Guardian's Payment (both Contributory and Non-Contributory). | 395.97 | 395.97 |
| Weekly Qualified Adult Rates of Payment – A reduction of €5.90 per week for Invalidity Pension qualified adults aged under 66, from €149.70 to €143.80 per week. A reduction of €5.50 per week for all other qualified adults of working age schemes. Proportionate reductions for all persons in receipt of reduced rates. | 29.50 | 29.50 |
| Reduction of €10 (3.6%) in the maximum rate of Maternity and Adoptive Benefit from €280 pw to €270 and a as well as an €4.50 reduction in the minimum rate, from €230.30 to €225.80 per week. Reduction in the minimum rate takes account of the increase in the QCI. | 11.10 | 11.10 |
| Weekly Rates of Payment Total | 436.57 | 436.57 |
| 3. Activation Measures | | |
| Introduce a new rate of €100 per week for new recipients of Jobseeker's Allowance & Supplementary Welfare Allowance for persons aged 20 and 21 years of age. | 37.89 | 97.13 |
| Introduce a new rate of €150 per week for new recipients of Jobseeker's Allowance & Supplementary Welfare Allowance for persons aged 22 to 24 years of age, inclusive. | 15.70 | 58.90 |
| Introduce a lower rate of €150 for Jobseeker's Allowance/SWA for persons who do not avail of labour activation measures and training courses. | 40.00 | 40.00 |
| Activation Measures Total | 93.59 | 196.03 |

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| 4. Rent Supplement - Savings from a review of maximum rent levels. | 20.00 | 20.00 |
| Rent Supplement Total | 20.00 | 20.00 |
| 5. Limit entitlements under the Treatment Benefit scheme in 2010 to the Medical and Surgical Appliances Scheme and the free examination elements of Dental and Optical Benefits. | 54.00 | 0.00 |
| Treatment Benefit Total | 54.00 | 0.00 |
| 6. Additional Control Savings . | 33.31 | 33.31 |
| Control Savings Total | 33.31 | 33.31 |
| 6. Agencies | | |
| Reduction in grant to the Family Support Agency . | 2.00 | 2.00 |
| Reduction in grant to the Citizen's Information Board . | 0.33 | 0.33 |
| Agencies Total | 2.33 | 2.33 |
| Overall Total | 762 | 811 |

Table 6: Savings Measures - Budget 2009 and Supplementary Budget 2009

| Summary description of adjustment | Effect of Measure 2009 €m | Effect of Measure 2010 €m | Full Year €m |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|-----------------|
| 1. (a) Reduce Jobseeker's Benefit entitlement from 15 to 12 months for recipients with 260 or more contributions and (b) Reduce duration of Jobseeker's Benefit from 12 months to 9 months where a person has less than 260 contributions paid. | 53 | 86 | 86 |
| 2. Increase the current weekly earnings threshold for the payment of reduced rates of Illness Benefit, Jobseeker's Benefit and Health and Safety Benefit (known as graduated rates) from €150 to €300. | 8 | 10 | 10 |
| 3. Increase underlying number of paid contributions for entitlement to Jobseeker's Benefit, Illness Benefit and Health & Safety Benefit , from 52 to 104 and introduce a condition whereby 13 paid contributions are required in the relevant tax year (and certain other tax years) for eligibility for Jobseeker's Benefit and Health and Safety Benefit . | 11.7 | 23.1 | 23.1 |
| 4. Limit Illness Benefit to two years duration for new claimants. | 0 | 0 | 101 |
| 5. Halve entitlement to Child Benefit for 18 year olds; Abolish in 2010 and recycle some CB savings for offsetting measures on children to protect social welfare families. | 27.6 | 67.2 | 79 |
| 6. Discontinue provision for the Christmas Bonus . | 156 | 171 | 171 |
| 7. Introduce a reduced personal rate of payment of €100 per week for new Jobseeker's Allowance claimants aged 18 and 19 years and new Basic SWA claimants aged under 20 years. | 12 | 26 | 26 |

| | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|
| 8. Rent/Mortgage Interest Supplement measures including: Increase minimum contribution for Rent and Mortgage Interest Supplement by €11 per week to €24 and Reduce maximum rent limits where appropriate by up to 10% for <u>all new tenancies/renewals</u> and reduce all existing Rent Supplements by 8%. | 69 | 97 | 97 |
| 9. Additional Control Savings | 82 | 125 | 125 |
| Total | 419 | 605 | 718 |

11.26 Please estimate the cost of the following options for a new system of in-work benefits to encourage greater labour force participation by low income families:

See Appendix 5 – In-Work Benefits

To enhance the Wage Subsidy Scheme

11.27 The cost and number of people availing of the Wage Subsidy Scheme annually for the next five years on the basis of existing criteria;

It is estimated that there will be 2,010 employees being supported through the Wage Subsidy Scheme by the end-December next at a cost of circa €16.9 million in 2015. If the numbers supported continue to increase at 2015 levels, there will be circa 2,500 participants at the end of December 2016 at a total cost of €20.75 million in 2016. It is not possible, at this stage, to estimate the costs in 2017 and later years as these will be largely dependent on the potential rate of take up in the medium term.

11.28 The cost of reducing the minimum number of hours (currently 20) worked to avail of the Wage Subsidy Scheme to 15 hours a week on the basis of forecast numbers above annually for the next five years.

If the assumption is made that the number of recipients will remain the same as in costing 1 of the response (i.e. there will be circa 2,500 participants on the Wage Subsidy Scheme at the end of December 2016), but that the minimum hours will be reduced from 21 to 15 hours, then there is no additional cost as the recipients are all working 15 to 21 hours and are already receiving a subsidy in respect of that work.

Where an additional cost would arise is in a greater number of people with disabilities becoming eligible for participation on the scheme as a consequence of the reduction in the hours worked threshold. However, the data required to model the size of potential demand is not available.

One way of addressing this is by estimating the cost on a per hundred WSS recipients basis with all of these additional recipients working (at least) the new minimum hours of 15 hours. The current subsidy rate is €5.30 per hour. The table below outlines the cost per 100 WSS participants working between 15 and 20 hours.

Reduction of WSS threshold - cost per 100 WSS recipients

| Hours worked | Cost |
|--------------|----------|
| 15 hours | €414,500 |
| 16 hours | €442,130 |
| 17 hours | €469,760 |
| 18 hours | €497,390 |
| 19 hours | €525,020 |
| 20 hours | €552,650 |

Activation Schemes

11.29 The cost to boost the payment levels under JobsPlus by increasing the level of payment from €7,500 to €8,500 for hiring someone between 1 year and 2 years unemployed, and from €10,000 to €12,000 for someone over 2 years unemployed. And assuming that the scheme expands and is capped at no more than 10,000 at any one time.

Current provision:

The 2015 provision for JobsPlus is €25.5 million to support 6,000 employees. Currently, two levels of grant are payable:

- €10,000 paid over 24 months for jobseekers who are on the LR for at least 18 months in the last 2 years, and
- €7,500 paid over 24 months for jobseekers who are on the LR for at least 12 months or young jobseekers who are at least 4 months on the LR or jobseekers transitioning from a one-parent family payment. There is no qualifying period for those transitioning from OPFP.

The estimated cost of maintaining JobsPlus at the level of 6,000 employees is €27 million in 2016.

Costs:

The full year cost of JobsPlus supporting 10,000 employees at the proposed revised rates is estimated at €53 million, which represents an additional cost of €26 million. This cost assumes that all 10,000 employees are supported at the revised rates, and that the current ratio between the two levels of payment continues.

The first year costs would vary depending on whether existing JobsPlus arrangements would continue or whether they would immediately benefit from the higher levels of payment, and on the rate of take up of the additional places.

It should be noted that the above estimates do not include the following:

- Savings to the Department with regard to Jobseeker's Allowance payments (assuming no deadweight).
- Additional income that will arise for the Exchequer from payment of income tax, PRSI and USC from employment.

- Cost to the Department of Social Protection from employees who may have an entitlement to receive Family Income Supplement (FIS), a weekly tax-free payment available to employees with children to provide extra financial support to people on low pay.
- Costs to the Department of Social Protection from employees who may also have an entitlement to the Back to Work Family Dividend.
- Estimates of costs incurred by the Department in the administration, promotion and control of the proposal.

11.30 Please provide the total number of schemes taken up by individuals under the Youth Guarantee project (including the Ballymun pilot project) to date, as well as a list of the different types of schemes taken up and the associated total costs.

11.31 Please project the mix of schemes necessary, based on the Department’s learnings in rolling out the Youth Guarantee to date and with the Ballymun pilot project, to roll out the Youth Guarantee nationwide and the associated costs.

- **Please outline costs on the basis of (a) and (b) below.**

Assumptions: An apprenticeship or a traineeship will be made available within a period of four months of becoming unemployed or leaving formal education, applicable from (a) March 2016 onwards and (b) any unemployed person under the age of 20. Take-up should be projected in line with the take-up of the Ballymun pilot project or however the Department deems appropriate.

Appendix 6 displays the number of participants across the range of Youth Guarantee schemes in 2014 and 2015.

During 2016, it is estimated that 14,000 young people aged less than 20 years will be awarded Jobseeker’s Benefit or Assistance on becoming fully unemployed. It is further estimated that, under current arrangements, approximately 9,200 of these young people will remain unemployed after 4 months.

Thus, for a place to be made available to those who are either already unemployed for over 4 months, or will become so during the year, would require the provision of 9,200 offers during 2016.

While most exits of young people from unemployment are to open-market employment, it is not open to the State to create additional employment places (including apprenticeships). Similarly, a range of existing programmes (e.g. JobBridge) are demand led, and, again, it is not open to the State to create additional places.

Accordingly, at the margin, if an offer were to be made to significant additional numbers of young people, it would have to be on programmes that are fully publicly funded, such as Community Employment (as was required under the Ballymun Pilot) or through the provision of additional training or further/higher education places supported through either the Back to Education Allowance or SOLAS-funded training allowances. SOLAS training programmes fall under the remit of the Department of Education and Skills, and in this regard, it should be noted that the costing below is based on DSP providing all of the 9,200 offers, divided equally between CE and BTEA. Based on the current average duration of participation of 1.4 years on CE and 2.5 years on BTEA, this would require an increase of 6,440 places on CE at any one time, and an increase of 11,500 on BTEA.

A number of issues (other than the direct programme costs to participants) would also need to be considered if the above approach was taken. It would require the identification and commissioning of projects of value to the community capable of employing 6,440 people. It would also require the criteria for participation on CE to be altered from the current one year's plus unemployment and being more than 25 years of age to one of 4 months' unemployment and aged 18 or over. Finally, it would require the creation of 11,500 additional places in institutions of further and higher education (assuming an average participation of 2.5 years).

If it were nonetheless feasible and desirable to follow this course of action, the estimated annual full-year cost of this additional provision to the Department of Social Protection would be €89.5 million (CE) and €86.7 million (BTEA) – the latter includes welfare payments to BTEA participants during the summer break in multi-year education programmes. This is exclusive of the provision costs of expanding the number of places in further and higher education by 11,500. It should be noted that young people aged 18 and 19 on the age-related reduced rate of JA of €100 per week would see an increase in their weekly rate of payment to €208 per week on Community Employment, and €160 per week on BTEA.

The full-year cost to DSP of approximately €176 million would be reached in year 2 or year 3 depending on the phasing of this hypothetical course of action. It would then recur on an annual basis on the assumption of a continuing flow of young people aged less than 20 years reaching the 4-months unemployment threshold triggering the offer.

If it were assumed that the CE and BTEA schemes would last for a duration of one year, rather than the current average, this would incur a cost of €64 million in CE and €35 million for BTEA.

Apart from the expected flow of newly-unemployed young people this year, there were 4,000 18/19-year olds, at the beginning of the year, who had already been unemployed for 4 months or more. Extending the policy to this group, on the same terms and assumptions as above would have a once-off cost of about €76 million, spread over the years 2016-2018. (This cost would be €43 million if the shorter, one-year duration on programmes were assumed).

All costs above are estimated gross costs of the hypothetical provision. There would also be some social welfare savings to set off against these. Estimating these accurately would require detailed assumptions about the hypothetical alternative situation of the young people involved, over an extended period, had they not been recruited to the programme concerned. (At present, about 60% of newly unemployed young people in this age group who still are unemployed after four months go on to find work during the following 6 months).

On certain assumptions, there would also be some off-setting programme savings. At present, it is estimated that each year about 1,800 young people aged under 20 take up programme places having been unemployed for between 4 and 10 months. Clearly, this uptake would not arise if all of the young people involved had been offered and taken up a place immediately after they crossed the four-month unemployment threshold.

Assuming that all of the jobseekers are in receipt of the €100 age-related rate of JA⁶, the savings in JA associated with 9,200 young people on the €100 age-related reduced rate would be €48 million in a full year.

⁶ A small number (approx. 5%) of 18 and 19 year olds in receipt of JA are on the €188 rate, rather than the €100 (for instance, if they have a qualified child).

Allowing for the possibility that some of these young people would have been on programmes, entered between the 4th and 10th months of unemployment, would lead to some further increase in this savings estimate. The exact extent of these savings is dependent on the phasing and duration of current participation by these young people, but is tentatively estimated as being in the range of €5 to €10 million.

Note: All of the above costs/savings assume that the young person remains on the CE/BTEA for the full duration (and similarly that they would have been in receipt of JA for the full period).

11.32 *Jobseekers Benefit*

The cost of increasing Jobseekers Benefit to €215 for the first 3 months of unemployment, reducing to €200 for between 3 and 6 months of unemployment and reverting to the standard rate of €188 after 6 months (based on current Department projections).

- A. Jobseeker's Benefit rates are made up of a personal rate and increases for a Qualified Adult, and Qualified Children.
- B. The personal rate payable depends on the claimant's average earnings in the relevant year. Where the average weekly earnings in that year are €300.00 per week or more, the full maximum rate of JB is payable i.e. €188. Jobseeker's Benefit (JB) rates are graduated according to earnings in the relevant tax year where earnings were less than €300 per week.

Weekly Jobseeker's Benefit payment in 2016

| Average weekly earnings | Personal rate | Increase for a qualified adult | Increase for a qualified child |
|-------------------------|---------------|--------------------------------|--------------------------------|
| Less than €150 | €84.50 | €80.90 | €29.80 |
| €150 - €219.99 | €121.40 | | |
| €220 - €299.99 | €147.30 | | |
| €300 or more | €188 | €124.80 | |

- C. The cost of increasing the maximum personal weekly rate of JB in line with the rates of payment (by relevant durations) requested above is of the order of **€29.5 million** in a full year (based on estimated 2016 JB data). This costing assumes that the graduated personal weekly rates of JB are increased proportionately to the level of increases in the maximum weekly personal rates proposed and that no one would receive a rate of JB greater than their weekly earnings in the relevant tax year (as currently applies).

- D. The cost of increasing the maximum and all graduated personal weekly rates⁷ of JB in line with the rates of payment (by relevant durations) requested above is of the order of **€55.5 million** in a full year (based on estimated 2016 JB data). This would mean that some persons would receive a weekly rate of JB greater than their average weekly earnings in the relevant tax year.
- E. In both costings outlined above, qualified adult weekly rates of payment (of any duration) and all personal rates of payment with a duration of more than six months remain unchanged. While JB can currently be paid for a maximum of 9 months, it should be noted that JB recipients who have paid less than 260 contributions in their working life are only entitled to JB for a maximum of six months.
- F. The costings above do not take account of system development costs to accommodate the introduction of various weekly rates of payment dependant on duration. They also do not take into account any second round impacts which might arise as the weekly rate of JB (in the first six months of unemployment) would, if the measure was proceed with, exceed the weekly rates applicable to other working age weekly rates of payment.

⁷ Nearly 20% of JB recipients are in receipt of a graduated rate of payment.

12. Transport, Tourism & Sport

12.1 To further expand the public bikes schemes in line with public transport and health objectives

The contract cost of the supply/installation and annual operational costs associated with rolling out public bike schemes to a further five urban centres (starting with the largest populations).

Without knowing the locations planned, the National Transport Authority, who are responsible for the implementation and administration of the bike schemes, would not in a position to provide estimates of costs. There is no standard unit price for investing in this type of infrastructure/scheme (they are site dependant etc.). A sufficiently critical mass of population would also needed to make the schemes viable and feasibility studies would need to be carried out in advance to determine this. Currently, the schemes are operating successfully in Dublin, Cork, Limerick and Galway.