

Labour Party Costings

1. Children & Youth Affairs

Description of Proposal for a Childcare Affordability Assistance Scheme

1.1 Request: To estimate the gross cost of a voucher based scheme (inclusive of administrative costs for means-testing) that would grant a fixed number of free childcare hours with a registered childcare provider (individual or care facility) to parents over a 52 week period. This scheme will subsume the existing Community Childcare Subvention Scheme.

Eligibility for the Scheme: All households with children aged 6 and under, subject to a means test.

- Application can be made at any time during the year. However the voucher will be administered on a pro rata basis to conform with the calendar year.
- Simple means test, similar to FIS, to be completed by parents or lone parent based on presentation of previous year's P60 or Statement of preliminary tax paid for the self employed.
- Eligibility will fall into three bands. The bands below are based on the gross income of both earners in a two earner household.

Band A	€0- €40,000
Band B	€40,101- €70,000
Band C	€70,001- €100,000

Access to Scheme: Each eligible household will receive a voucher for free childcare hours, the number to be determined by the household means test. These hours are additional to the provisions of the ECCE.

Gross Income (Both earners)	Entitlement, One child	Value of the benefit	Delivery mechanism
€0- €40,000	950 free childcare hours p.a.	€4,560	Community childcare subvention scheme
€40,001- €70,000	400 free childcare hours p.a.	€1,920	Registered providers
€70,001- €100,000	300 free childcare hours p.a.	€1,440	Registered providers

Administration & Operation of the Scheme: Dept. of Social Protection will means test the parents and administer the voucher to the suppliers.

Supplier participation: It is envisaged that this scheme should be relatively attractive to suppliers and there will be an incentive to register.

- Registered supplier will receive payment of €4.80 per childcare hour supplied. This is based on the current higher capitation grant per child per hour in the ECCE scheme.
- An additional capitation grant payable to registered suppliers of €12 per week.

TOTAL COSTS OF THE CHILDCARE VOUCHER SCHEME

The estimated costs (excluding administration) for the childcare voucher scheme for non-ECCE children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) are presented in Table 8.

Table 8			
	Number of non-ECCE children	Value of benefit (unit cost)	Total cost for non-ECCE children
Scenario 1			
Band A	28,884	€4,560	€131,711,040
Band B	19,858	€1,920	€38,127,360
Band C	11,433	€1,440	€16,463,520
TOTAL	60,175	-	€186,301,920
Scenario 2			
Band A	31,872	€4,560	€145,336,320
Band B	21,912	€1,920	€42,071,040
Band C	12,616	€1,440	€18,167,040
TOTAL	66,400	-	€205,574,400
Scenario 3			
Band A	47,808	€4,560	€218,004,480
Band B	32,868	€1,920	€63,106,560
Band C	18,924	€1,440	€27,250,560
TOTAL	99,600	-	€308,361,600
Scenario 4			
Band A	63,744	€4,560	€290,672,640
Band B	43,824	€1,920	€84,142,080
Band C	25,232	€1,440	€36,334,080
TOTAL	132,800	-	€411,148,800

The estimated costs (excluding administration) for the childcare voucher scheme for ECCE children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) and according to whether ECCE children a) retain their full entitlement to the voucher or b) receive the voucher, net of the 570 ECCE hours, are presented in Table 9.

Table 9					
	Number of ECCE children	ECCE children retain their full entitlement to the voucher		ECCE children receive the voucher, net of the 570 ECCE hours	
		Value of benefit (unit cost)	Total cost for ECCE children	Value of benefit (unit cost)	Total cost for ECCE children
Scenario 1					
Band A	5,916	€4,560	€26,976,960	€1,824	€10,790,784
Band B	4,067	€1,920	€7,808,640	€0	€0
Band C	2,342	€1,440	€3,372,480	€0	€0
TOTAL	12,325	-	€38,158,080	-	€10,790,784
Scenario 2					
Band A	6,528	€4,560	€29,767,680	€1,824	€11,907,072
Band B	4,488	€1,920	€8,616,960	€0	€0
Band C	2,584	€1,440	€3,720,960	€0	€0
TOTAL	13,600	-	€42,105,600	-	€11,907,072
Scenario 3					
Band A	9,792	€4,560	€44,651,520	€1,824	€17,860,608
Band B	6,732	€1,920	€12,925,440	€0	€0
Band C	18,924	€1,440	€27,250,560	€0	€0
TOTAL	99,600	-	€84,827,520	-	€11,907,072
Scenario 4					
Band A	13,056	€4,560	€59,535,360	€1,824	€23,814,144
Band B	8,976	€1,920	€17,233,920	€0	€0
Band C	5,168	€1,440	€7,441,920	€0	€0
TOTAL	27,200	-	€84,211,200	-	€23,814,144

The estimated costs (excluding administration) for the childcare voucher scheme for all children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) and where ECCE children retain their full entitlement to the voucher, are presented in Table 10.

Table 10			
	Value of benefit (total cost)		
	Non-ECCE children	ECCE children	All children
Scenario 1	€186,301,920	€38,158,080	€224,460,000
Scenario 2	€205,574,400	€42,105,600	€247,680,000
Scenario 3	€308,361,600	€84,827,520	€393,189,120
Scenario 4	€411,148,800	€84,211,200	€495,360,000

The estimated costs (excluding administration) for the childcare voucher scheme for all children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) and where ECCE children receive the voucher, net of the 570 ECCE hours, are presented in Table 11.

Table 11			
	Value of benefit (total cost)		
	Non-ECCE children	ECCE children	All children
Scenario 1	€186,301,920	€10,790,784	€197,092,704
Scenario 2	€205,574,400	€11,907,072	€217,481,472
Scenario 3	€308,361,600	€11,907,072	€320,268,672
Scenario 4	€411,148,800	€23,814,144	€434,962,944

The estimated overall costs (excluding and including administration) for the childcare voucher scheme for all children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) and where ECCE children a) retain their full entitlement to the voucher or b) receive the voucher, net of the 570 ECCE hours, are presented in Table 12.

- Where ECCE children retain their full entitlement to the voucher, the estimated costs range from €227,826,900 to €502,790,400 (including administration and excluding the additional payment to providers).
- Where ECCE children receive the voucher, net of the 570 ECCE hours, the estimated costs range from €200,049,095 to €441,487,388 (including administration and excluding the additional payment to providers).

Table 12				
	Value of benefit (total cost)			
	Where ECCE children retain their full entitlement to the voucher		Where ECCE children receive the voucher, net of the ECCE hours	
	Total cost	Total cost (inc. administration of 1.5%)	Total cost	Total cost (inc. administration of 1.5%)
Scenario 1	€224,460,000	€227,826,900	€197,092,704	€200,049,095
Scenario 2	€247,680,000	€251,395,200	€217,481,472	€220,743,694
Scenario 3	€393,189,120	€399,086,957	€320,268,672	€325,072,702
Scenario 4	€495,360,000	€502,790,400	€434,962,944	€441,487,388

The estimated additional payment to providers under each scenario (i.e. 5,500 suppliers, 6,050 suppliers, 11,000 suppliers and 14,250 suppliers) including administration, are presented in Table 13. These costs range from €3,483,480 to €9,025,380 (including administration).

Table 13				
	Total number of providers	Additional weekly/annual payment (unit cost)	Additional annual payment total cost)	Additional annual payment (inc. administration of 1.5%)
Scenario 1	5,500	€12/€624	€3,432,000	€3,483,480
Scenario 2	6,050	€12/€624	€3,775,200	€3,831,828
Scenario 3	11,000	€12/€624	€6,864,000	€6,966,960
Scenario 4	14,250	€12/€624	€8,892,000	€9,025,380

NOTES:

- These estimates are based on the assumptions outlined in the request received. The Department has made no attempt to critique these assumptions.
- In preparing these estimates, the Department draws on EU SILC data to determine the proportions of children in each band. There are limitations to EU SILC data (see *Maître, B., Russell, H., Whelan, C.T., (2014) Social Inclusion Technical Paper No. 5 Trends in Economic Stress and the Great Recession in Ireland – An Analysis of the CSO Survey on Income and Living Conditions (SILC) Dublin: Department of Social Protection* for further information). Therefore, the estimates should be treated with caution.
- These estimates use a 1.5% administration fee. A more accurate estimate of administration costs associated with means-testing for this childcare voucher scheme should be sought from the Department of Social Protection.
- The childcare voucher scheme is proposed to replace the Community Childcare Subvention (CCS) Scheme, which has an allocation of €45 million in 2015. It should be noted however that the CCS scheme is open to children aged 0-15 inclusive. Therefore, only a portion of the €45 million could be deducted from the cost of the childcare voucher scheme. Further, subsuming the CCS Scheme into the childcare voucher scheme would exclude children over 6 unless alternatives were made available. Finally, no reference is made to the other targeted childcare support schemes, including Community Employment Childcare (CEC) and the Training and Employment Childcare (TEC) Schemes (see www.dcyu.ie for further details of these).

Assumptions/Parameters

- (i) **Number of eligible parents:** Data on the gross income and number of children of a two income household with children should be available from EU SILC data. These figures should assist in identifying the potential administrative costs associated with household means testing.
- (ii) **Number of eligible children:** Upon establishment of the scheme, it is likely that less than 72,500 children would be eligible for the vouchers. This is based on the 70,000 that are currently in centre based facilities that are not in the ECCE plus the estimate of 2,500 children that are cared for by registered childminders. As more childminders become registered and as the substitution effect from family based care towards formal childcare kicks in, the numbers claiming the vouchers should increase.

The costings should be based on four scenarios involving (a) 72,500 children, (b) 80,000 children, (c) 120,000 children and (d) 160,000 children.

(iii) **Hours required per child:** At present, all children aged 3years and 2months or more can avail of the ECCE scheme which involves 15hours per week for 38 weeks.

There should be two scenarios costed. It should be assumed and that (a) those children in receipt of the ECCE retain their full entitlement to the voucher, (b) those children availing of the ECCE receive the voucher, net of the ECCE hours.

(iv) **Cost per free childcare hour**

Registered supplier will receive State payment of €4.80 per free childcare hour supplied plus an additional weekly payment of €12 per child week.

The costings should be based on four scenarios involving (a) 5500 suppliers, (b) 6050 suppliers, (c) 11,000 suppliers and (d) 14,250 suppliers.

(v) **Number of eligible parents: Data on the gross income and number of children of a two income household with children should be available from EU SILC data. These figures should assist in identifying the potential administrative costs associated with household means testing.**

The estimated number of households and children under 6 in each income band is presented below in Table 1.

Table 1		
	Number of households	Number of children
Band A: < €40,000		
Household with 1 child < 6	87,541	87,541
Household with 2 children < 6	27,003	54,006
Household with 3 children < 6*	3,530	10,590
Household with 4+ children < 6*	160	720
Other households with children	144,786	217,179
TOTAL	263,020	370,036
Band B: €40,001-€70,000		
Household with 1 child < 6	65,123	65,123
Household with 2 children < 6	20,717	41,434
Household with 3 children < 6*	762	2,286
Household with 4+ children < 6*	598	2,691
Other households with children	99,355	149,033
TOTAL	186,555	260,567
Band C: €70,001-€100,000		
Household with 1 child < 6	33,384	33,384
Household with 2 children < 6	15,752	31,504
Household with 3 children < 6*	1,208	3,624
Household with 4+ children < 6*	0	0
Other households with children	53,245	79,868
TOTAL	103,589	148,380

Source: Survey on Income and Living Conditions, 2013

Notes:

* indicates sample numbers very low (i.e. below 30) therefore must be treated with caution

To calculate the number of children in households with 4+ children, an average of 4.5 children is used.

To calculate the number of children in other households with children, an average of 1.5 children is used.

Table 2 presents a summary of the number of households and children under 6 in each income band. The estimated distribution of children under 6 in each income band is also presented.

Just under half of the children are estimated to be in income Band A; one third in income Band B and the remainder (i.e. 19%) in income Band C.

	Number of households	Number of children	Percentage of children
Band A: < €40,000	263,020	370,036	48%
Band B: €40,001-€70,000	186,555	260,567	33%
Band C: €70,001-€100,000	103,589	148,380	19%
TOTAL	553,164	778,982	100%

Source: Survey on Income and Living Conditions, 2013

- (vi) **Number of eligible children:** Upon establishment of the scheme, it is likely that less than 72,500 children would be eligible for the vouchers. This is based on the 70,000 that are currently in centre based facilities that are not in the ECCE plus the estimate of 2,500 children that are cared for by registered childminders. As more childminders become registered and as the substitution effect from family based care towards formal childcare kicks in, the numbers claiming the vouchers should increase.

The costings should be based on four scenarios involving (a) 72,500 children, (b) 80,000 children, (c) 120,000 children and (d) 160,000 children.

Table 3 presents the estimated distribution of children under 6 in each income band for each scenario.

	Distribution of children	Number of eligible children			
		Scenario 1	Scenario 2	Scenario 3	Scenario 4
Band A	48%	34,800	38,400	57,600	76,800
Band B	33%	23,925	26,400	39,600	52,800
Band C	19%	13,775	15,200	22,800	30,400
TOTAL	100%	72,500	80,000	120,000	160,000

- (vii) **Hours required per child:** At present, all children aged 3years and 2months or more can avail of the ECCE scheme which involves 15hours per week for 38 weeks.

There should be two scenarios costed. It should be assumed and that (a) those children in receipt of the ECCE retain their full entitlement to the voucher, (b) those children availing of the ECCE receive the voucher, net of the ECCE hours.

The population of children under 6 and their age distribution is presented in Table 4. Based on these data, it is estimated that approximately 17% of children eligible for the childcare vouchers will be enrolled in the ECCE Programme.

	Number of children	Percentage of children
Under 1	68,255	16%
1	71,596	16%
2	75,460	17%
3	73,702	17%
4	73,555	17%
5	73,179	17%
Total	435,747	100.00%

Source: Population Estimates, 2014

The estimated number of ECCE and non-ECCE children in each income band for each scenario (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) is presented in Table 5.

Table 5			
Scenario 1	Total number of children	Number of non-ECCE children (i.e. 83%)	Number of ECCE children (i.e. 17%)
Band A	34,800	28,884	5,916
Band B	23,925	19,858	4,067
Band C	13,775	11,433	2,342
TOTAL	72,500	60,175	12,325
Scenario 2	Total number of children	Number of non-ECCE children (i.e. 83%)	Number of ECCE children (i.e. 17%)
Band A	38,400	31,872	6,528
Band B	26,400	21,912	4,488
Band C	15,200	12,616	2,584
TOTAL	80,000	66,400	13,600
Scenario 3	Total number of children	Number of non-ECCE children (i.e. 83%)	Number of ECCE children (i.e. 17%)
Band A	57,600	47,808	9,792
Band B	39,600	32,868	6,732
Band C	22,800	18,924	3,876
TOTAL	120,000	99,600	20,400
Scenario 4	Total number of children	Number of non-ECCE children (i.e. 83%)	Number of ECCE children (i.e. 17%)
Band A	76,800	63,744	13,056
Band B	52,800	43,824	8,976
Band C	30,400	25,232	5,168
TOTAL	160,000	132,800	27,200

The estimated number hours for ECCE where ECCE children a) retain their full entitlement to the voucher, (b) receive the voucher, net of the ECCE hours, is presented in Table 6.

Table 6			
Scenario 1	Number of ECCE children	Number of hours (i.e. full entitlement)	Number of hours (i.e. net 570 ECCE hours)
Band A	5,916	950	380
Band B	4,067	400	0
Band C	2,342	300	0
Scenario 2	Number of ECCE children	Number of non-ECCE children (i.e. 83%)	
Band A	6,528	950	380
Band B	4,488	400	0
Band C	2,584	300	0
Scenario 3	Number of ECCE children	Number of non-ECCE children (i.e. 83%)	
Band A	9,792	950	380
Band B	6,732	400	0
Band C	3,876	300	0
Scenario 4	Number of ECCE children	Number of non-ECCE children (i.e. 83%)	
Band A	13,056	950	380
Band B	8,976	400	0
Band C	5,168	300	0

(viii) **Cost per free childcare hour**

Registered supplier will receive State payment of €4.80 per free childcare hour supplied plus an additional weekly payment of €12 per child week.

The costings should be based on four scenarios involving (a) 5500 suppliers, (b) 6050 suppliers, (c) 11,000 suppliers and (d) 14,250 suppliers.

The estimated additional payment to providers under each scenario (i.e. 5,500 suppliers, 6,050 suppliers, 11,000 suppliers and 14,250 suppliers) is presented in Table 7.

	Total number of providers	Additional weekly payment (unit cost)	Additional annual payment (unit cost)	Additional annual payment total cost)
Scenario 1	5,500	€12	€624	€3,432,000
Scenario 2	6,050	€12	€624	€3,775,200
Scenario 3	11,000	€12	€624	€6,864,000
Scenario 4	14,250	€12	€624	€8,892,000

TOTAL COSTS OF THE CHILDCARE VOUCHER SCHEME

The estimated costs (excluding administration) for the childcare voucher scheme for non-ECCE children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) are presented in Table 8.

	Number of non-ECCE children	Value of benefit (unit cost)	Total cost for non-ECCE children
Scenario 1			
Band A	28,884	€4,560	€131,711,040
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Scenario 3			
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TOTAL	132,800	-	€411,148,800

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TOTAL	12,325	-	€38,158,080	-	€10,790,784
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Scenario 4					
Band A	13,056	€4,560	€59,535,360	€1,824	€23,814,144
Band B	8,976	€1,920	€17,233,920	€0	€0
Band C	5,168	€1,440	€7,441,920	€0	€0
TOTAL	27,200	-	€84,211,200	-	€23,814,144

The estimated costs (excluding administration) for the childcare voucher scheme for all children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) and where ECCE children retain their full entitlement to the voucher, are presented in Table 10.

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	Value of benefit (total cost)		
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Scenario 4	€411,148,800	€23,814,144	€434,962,944

The estimated overall costs (excluding and including administration) for the childcare voucher scheme for all children based on the four scenarios (i.e. 72,500 eligible children in total, 80,000 eligible children in total, 120,000 eligible children in total and 160,000 eligible children in total) and where ECCE children a) retain their full entitlement to the voucher or b) receive the voucher, net of the 570 ECCE hours, are presented in Table 12.

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Table 12				
	Value of benefit (total cost)			
	Where ECCE children retain their full entitlement to the voucher		Where ECCE children receive the voucher, net of the ECCE hours	
	Total cost	Total cost (inc. administration of 1.5%)	Total cost	Total cost (inc. administration of 1.5%)
Scenario 1	€224,460,000	€227,826,900	€197,092,704	€200,049,095
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The estimated additional payment to providers under each scenario (i.e. 5,500 suppliers, 6,050 suppliers, 11,000 suppliers and 14,250 suppliers) including administration, are presented in Table 13. These costs range from €3,483,480 to €9,025,380 (including administration).

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Scenario 4	14,250	€12/€624	€8,892,000	€9,025,380

NOTES:

- These estimates are based on the assumptions outlined in the request received. The Department has made no attempt to critique these assumptions.
- In preparing these estimates, the Department draws on EU SILC data to determine the proportions of children in each band. There are limitations to EU SILC data (see *Maître, B., Russell, H., Whelan, C.T., (2014) Social Inclusion Technical Paper No. 5 Trends in Economic Stress and the Great Recession in Ireland – An Analysis of the CSO Survey on Income and Living Conditions (SILC) Dublin: Department of Social Protection* for further information). Therefore, the estimates should be treated with caution.
- These estimates use a 1.5% administration fee. A more accurate estimate of administration costs associated with means-testing for this childcare voucher scheme should be sought from the Department of Social Protection.

- The childcare voucher scheme is proposed to replace the Community Childcare Subvention (CCS) Scheme, which has an allocation of €45 million in 2015. It should be noted however that the CCS scheme is open to children aged 0-15 inclusive. Therefore, only a portion of the €45 million could be deducted from the cost of the childcare voucher scheme. Further, subsuming the CCS Scheme into the childcare voucher scheme would exclude children over 6 unless alternatives were made available. Finally, no reference is made to the other targeted childcare support schemes, including Community Employment Childcare (CEC) and the Training and Employment Childcare (TEC) Schemes) (see www.dcyu.ie for further details of these).

2. Communications Energy and Natural Resources

2.1 Identify the average grant per house available “Better Energy Warmer Homes” Scheme.

The Better Energy Warmer Homes Scheme has been in operation since 2002. Participants do not receive a grant, rather they receive a range of energy efficiency measures installed in their home, free of charge.

Over the period 2002 to 2014 a total of 112,834 homes were upgraded under the programme at a total cost of €136,808,762. This gives an average spend of €1,212 per home over the lifetime of the programme. However, it should be noted that the average spend per home has increased considerably over the past several years. This is partially due to rising costs but is primarily due to significant improvements in the technical standards the scheme must meet and some experimentation with deeper interventions to households in severe energy poverty. The rising average spend per home over the period 2011 to 2014 illustrates this:

2011	€1,049
2012	€1,683
2013	€1,790
2014	€2,280

3. Education and Skills

3.1 Estimate the cost of funding an additional 100,000 Springboard and Momentum places. Include an administration cost for this as eligibility will be means tested by SUSI. The type of income test has yet to be determined.

The average unit cost of a Springboard place is €4,450. However, the actual cost of individual places on Springboard courses varies from course to course, and can range between € 578 to € 10,500 per place, depending on the nature, the length and the skills area of the course. It is therefore not possible to give a general figure for the cost of an additional 100,000 Springboard places, without specifying the nature, type and level of the course.

3.2 Estimate the cost of 75,000 new Springboard places.

The request for costing does not specify the type of course that might be sought under the Springboard programme.

Skills category	Maximum	Minimum	Range
Construction skills	9,285	578	8,707
Cross-enterprise Skills	8,500	1,600	6,900
Entrepreneurship	6,250	2,134	4,116
Information/Communications Technology	9,000	1,250	7,750
International Financial Services	10,450	2,250	8,200
Other	8,500	2,567	5,933
Skills for manufacturing	8,500	1,386	7,114
Skills to Trade Internationally	6,250	1,788	4,463

Different courses require hugely varying degrees of investment (e.g. depending on the skills category and length of course). The other costs that influence the overall fee can include teaching costs, compulsory laboratory work and the required materials. Within the categories themselves the costs will differ per level of qualification, with MA L9 courses generally being more expensive – which is in line with general higher education provision.

In terms of range of costs for Springboard courses in the 2015 round, this ranges from a minimum of €578 to a maximum of €10,450.

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Ranges of Cost per student:

Average

Skills category	Cost per Student
Construction skills	3,901
Cross-enterprise Skills	3,965
Entrepreneurship	3,995
Information/Communications Technology	5,058
International Financial Services	4,479
Other	4,220
Skills for manufacturing	4,318
Skills to Trade Internationally	3,500
Overall Average	4,374

For the purposes of the requested costing, if you take the average cost of a part time place (€4,000) as the basis, it would cost in the order of €300m to run a 75,000 place programme.

Springboard is open to both public and private providers, however, even with this, there would be capacity issues in term so how many places could be rolled out as part of any one call. The current Springboard call provides that courses are a maximum of one year in duration and start times of courses are staggered and can start anytime after the announcement of the outcome of the call (i.e. this year May 2015) to spring of the following year (i.e. up to April 2016).

However, there would be a constraint in how many courses can be run in any given year. This year's call provided for 9,000 places.

3.3 Estimate the costs of 50,000 new apprenticeship new places.

3.4 Identify the average cost of traineeships operated by SOLAS. Estimate the cost of 20,000 additional traineeship places.

The current apprentice population (live/with employers – across all the trades) is 8,369 as of 7th December, 2015:

Traineeship / Apprenticeship

The estimated annual cost of providing 20,000 additional Traineeship places is €364m per year.

The estimated annual cost of providing 50,000 additional Apprenticeship places is €725m per year.

Note: The Apprenticeship cost includes only the cost of providing the first year, i.e. phase 2 training, for 20 weeks. Once Apprentices are registered there is a commitment for 4 years. The costs for these further years including phase 4 and 6 are not included.

The cost includes allowances based on current arrangements, other assumptions are outlined below:-

Assumptions / Uncertainties

- Based on 50,000 for year one of Apprenticeship
- Numbers are at a scale many times greater than historical levels
- Crafts have not been clarified
- Set-up costs, depend on Crafts
- Availability and recruitment of instructors is uncertain
- salary of instructors is uncertain
- 2 courses per year per instructor
- Availability of premises, locations and capacity per centre
- Proportion Contracted out
- Administration & monitoring costs difficult to estimate
- Curriculum Development, depends on trades & number of new Crafts
- Certification with significant administration
- Number of training advisors required is uncertain

4. Environment, Community & Local Government

4.1 Identify the average grant per house available Better Energy Warmer Homes scheme.

The 2008 Direct Exchequer funding for The Housing Adaptation Grants for Older People and People with a Disability was €53,577,305

The proposed Direct Exchequer funding for these measures in 2016 is €31,500,000 (with an additional €13,500,000 to be provided from certain Local Authority's Local Property Tax Revenue for 2015 in lieu of exchequer funds).

A return to the direct funding level in 2008 is costed in the tables below.

A. Y1 Increase Table

2016	2017 (+50%)	2018	2019	2020	2021
31,500,000*	53,577,305	53,577,305	53,577,305	53,577,305	53,577,305

Additional €22,077,305 required y1 – y5 inclusive. Full term cost of increase is therefore €110,386,525

B. Stepped increase Table

2016	2017	2018	2019	2020	2021
31,500,000*	35,915,461	40,330,922	44,746,383	49,161,844	53,577,305

$(y1 - 31,500,000) + (y2 - 31,500,000) + (y3 - 31,500,000) + (y4 - 31,500,000) + (y5 - 31,500,000) =$
€66,448,915 (Additional required)

* This refers to Voted Expenditure. In 2016 Local authorities will also be required to partly self-fund the grant schemes from Local Property Tax receipts.

5 Health:

5.1 Estimate the net cost of extending free GP care to the whole population, plus the cost of enhanced capitation for diabetes, asthma, COPD, heart failure and atrial fibrillation.

Under a Memorandum of Understanding signed in February 2015, the HSE, Department of Health and Irish Medical Organisation are currently engaged in a comprehensive review of the GMS and other publicly funded health sector contracts involving GPs. A priority of these discussions will be the inclusion of chronic disease management for patients. It is not possible in advance of completion of the negotiation process to foresee what the outcome of the review may be in relation to the specified chronic conditions

5.2 Estimate the net cost of free prescribed medication to all, based on the Irish Medicines Board list of prescribed medicines to include the cost of abolition of prescription charge and DPS.

GMS patients already receive prescribed medication free of charge, subject to the prescription charge. In 2014, revenue from the prescription charge was €120m. 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.

5.3 Estimate the cost of introducing an additional 3650 beds (covering in-patient and day care) for use in the Public health system.

The average bed-day cost for an in-patient in an acute hospital in Ireland in 2013 was €815. This figure represents a fully absorbed cost. It includes treatment and care costs as well as "hotel" costs but excludes capital and depreciation. The figure relates to in-patients only and excludes daycase, outpatient and emergency department costs."

Average bed-day cost for an in-patient:

Hospital activity data for admitted patients (daycases and inpatients) are captured on the Hospital Inpatient Enquiry (HIPE). Diagnoses and procedures are classified using International Statistical Classification of Diseases and related health problems, 10th revision - Australian Modification/Australian Classification of Health Interventions/Australian Coding standards/Irish Coding Standards (ICD10-AM/ACHI/ACS/ICS). Outpatient, psychiatric and emergency department activity is not included.

For further information on what is collected on HIPE please refer to www.hpo.ie .

Cases which are clinically similar and are expected to consume similar amounts of resources are grouped into diagnosis related groups (DRGs). This grouping, although mainly diagnosis driven, is carried out by examination of the case in its entirety including all diagnoses, all procedures carried out and demographic and administrative information. It is at this DRG level that costs per case are derived which form the basis of the Irish Casemix Budget Model. We do not cost at procedure, diagnosis, hospital or ward level.

Using the average bed day cost yields an amount of $(815 \times 365 \times 3650) = \text{€}1,085,783,750$ per year. It should be noted that 3,650 beds are 30% of the complement of beds at present, (approx. 10,000 beds). The cost per bed day would not be appropriate to estimate this as there would be a huge requirement of infrastructure and development to enable these 3,650 beds.

5.4 Estimate the construction costs and operation costs of a 65 short stay community bed facility.

Assume that this unit would be similar in purpose to the Mount Carmel operation in Dublin.

Cost of a 65 Bed CNU will be in the range of €11m to €12m. This assumes all single bed rooms. The direct care operating costs for such a unit, are in the region of €1,200 per bed per week.

5.5 Estimate the cost of doubling the current budget for homecare and home help packages.

Assume the same composition of hours as of now, between day and afterhours/ weekends.

In 2015 €330m was allocated for Home Care Services, this relates to a target of 10.3m hours for Home Help and 13,800 Home Care Packages. Doubling this would be €660m for Home Care Services, for a target of 20.6m hours Home Help and 27,600 Home Care Packages.

5.6 Estimate the cost of extending free GP care from under 12 to under 18 and to those aged between 66 and 70. Estimate the cost of extending free GP care to those aged between 19 and 65. Include in the estimate a capitation fee to monitor and treat diabetes, asthma, COPD, heart failure and atrial fibrillation, similar to that included in the existing free GP care contract.

Under a Memorandum of Understanding signed in February 2015, the HSE, Department of Health and Irish Medical Organisation are currently engaged in a comprehensive review of the GMS and other publicly funded health sector contracts involving GPs. A priority of these discussions will be the inclusion of chronic disease management for patients. It is not possible in advance of completion of the negotiation process to foresee what the outcome of the review may be in relation to the specified chronic conditions

5.7 Estimate the cost of reducing the DPS threshold to €100 per family and €75 per single person.

It is not possible to estimate the effect of reducing the monthly DPS threshold, as data is not available on amounts paid below the €144 threshold.

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5.8 Estimate the cost of reducing the prescription charge to €1.50 per item, subject to a €20 cap.

The prescription charge is currently €2.50 per item subject to a monthly cap of €25 per person or family. The table below sets out the cost implications arising from a range of reductions in the charge and/or monthly cap. These costings are based on current medical card numbers.

Scenario	Charge Per Item	Monthly Family Cap Euro (Items)	Annual Cost Estimate
1	€2.50	€20.00 (08 items)	€10.5m
2	€2.00	€20.00 (10 items)	€23.9m
3	€1.50	€19.50 (13 items)	€41.4m
4	€1.50	€18.00 (12 items)	€43.2m
5	€1.00	€15.00 (15 items)	€65.5m

5.9 Identify the additional number of GPs required to meet the demands of a rising population out to 2026.

The HSE's National Doctors' Training and Planning Unit is working on developing detailed workforce plans for different medical specialties. Medical workforce planning for General Practice has been prioritised in this context. Its report on Future Demand for General Practitioners 2015-2025 is available on the HSE's website.

5.10 Identify the existing spend per annum on a) community care beds, and b) staff working in these facilities.

The average weekly cost of a short-stay bed is approx. €1,200/wk. Currently there are approx. 2,000 public short stay beds.

The HSE are unable to provide figures for those working specifically in older people's services.

5.11 Estimate the cost of hiring 300 consultants, distributed evenly between the type 1 and type 2 consultant contracts.

150 Type A Contracts Point 3 of scale, assuming the successful candidates qualify for 2 years incremental credit (1 yr experience and 1 yr relevant qualifications), on call, pay, Employers PRSI and CME allowance

150 @ 140,000 + B and C Factor Payments, 10.75% PRSI and CME Allowance € 25.4m

150 Type B Contracts Point 3 of scale, assuming the successful candidates qualify for 2 years incremental credit (1 yr experience and 1 yr relevant qualifications)

150 130,000 + B and C Factor Payments, 10.75% PRSI and CME Allowance €23.7m

5.12 Identify the total amount spent by the HSE in mental health awareness campaigns in 2015.

The confirmed spend to date is €958K.

5.13 Estimate the cost of opening up access for 16-17 year olds to the CACP programme.

The estimated cost of providing primary care based counselling to under 18's is €7 million, which would fund an estimated 10,000 children. The costings are based on a total number of sessions rather than prevalence between age groups.

5.14 Estimate the cost of introducing a Jigsaw service to every town with a population sized of 10,000.

The estimated cost of establishing a new "greenfield" Jigsaw service is €1.25 million. We have no information on the number of towns with a population of 10,000+. The Jigsaw model is not predicated on the population but on the readiness of the community and agencies which combine to provide the service to support young people and cannot be conceived as a stand-alone service.

5.15 Estimate the cost of extending the opening hours of Community Mental Health Centres to 9pm, seven days a week?

This question assumes that the model of service is provided from a centre that can have extended opening hours. This is counter to the community mental health team model which has a component of traditional centre based service, but also requires treating people in their homes. It should also be noted that Community Mental health centres are joint premises with Primary Care and it would not be realistic to open one element of it, where they exist. Each CMHT should include the core skills of psychiatry, nursing, social work, clinical psychology, occupational therapy. For the purpose of this exercise we have tried to establish the cost of extending the availability of some members of the team up to 9pm, and including Saturday and Sunday i.e. – Consultant Psychiatrist x 1; Psychiatric Nurse x 1; Social Worker x 1; Clinical Psychologist x 1; Admin support x 1. (Salaries are based at mid-point and include 10.75% for PRSI)

Consultant Psychiatrist	€175,359
Mental Health Staff Nurse	€36,971
Clinical Psychologist	€67,987
Social Worker	€43,581
Admin Support (Grade IV)	<u>€35,240</u>
	€359,138

Estimated cost: €359,138 x 203 teams (115 general adult, 63 CAMHS, 25 psychiatry of old age teams) x 40% to account for additional hours and weekends = €29.2m

5.16 Identify the cost of each publicly employed Suicide Crisis Assessment Nurse.

SCAN Nurses are Clinical Nurse Specialists. Mid-point of CNS scale is €50,874 + 10.75%PRSI = €56,343

5.17 Identify the cost of existing Personal Assistant Services for people with a disability.

It is estimated that in excess of €33m is spent on the provision of Personal Assistant services

5.18 Identify the average unit cost of training an advanced nurse practitioner and average salary cost of employment.

To become an ANP requires the completion of a 2 year Masters degree programme in addition to having 5 years appropriate clinical experience in the area of expertise. The cost of fee for a nurse or midwife to undertake the Masters degree programme ranges between €10,000 to €12,000 approx. over the 2 year timeframe required.

€61,210 is the mid point on the Advanced Nurse Practitioner pay scale

5.19 Identify the unit cost of training a midwife and average salary cost of employment.

There are 2 routes to becoming a midwife in Ireland:

- (1) four year undergraduate degree offered by 6 higher education institutions; and
- (2) an 18-month post-graduate diploma for registered nurses.

The cost of this training is the remit of the Department of Education.

€36,137 is the mid-point on the Staff Nurse (Registered Midwife) pay scale.

6. Justice and Equality

6.1 Estimate the income generated by introducing an earned regularisation scheme for undocumented migrants.

The main problem is that it is not possible to produce an estimate with any degree of confidence. The starting point is the number of undocumented migrants and, because one is dealing with a clandestine activity, it is inherently difficult to come up with any sort of reliable figure. It is noted that NGO estimates in the region of 20,000 to 26,000 are in the public domain however there are no official figures to support this. Neither has the Department ever estimated what income it might receive if such a regularisation were to take place.

In considering any such steps there are also significant areas of potential costs and liabilities that the State would incur by granting status to persons who do not have it and consequently have no entitlement to services and benefits. Therefore the potential costs lie mainly in the area of social welfare, housing and health care.

Also in considering potential income to be gained the expectation is that many undocumented are working in the black economy and are engaged by employers who do so in the full knowledge that income tax and PRSI are not deducted. It can be expected that certain employers will not legitimise these employees but instead seek to engage others illegally leading to a pull factor for a new group of illegitimate workers. It is not at all clear what may then become of any legalised workers many of whom may well end up on welfare.

6.2 Identify the number of Garda Síochána that will need to be trained and recruited to maintain existing garda numbers between 2017 and 2021 after accounting for natural attrition. Estimate the cost of training and recruitment of such additional numbers.

The average number of retirements each year in An Garda Síochána is currently 300. Therefore, in order to maintain existing garda numbers between 2017 and 2021, the recruitment of 300 gardai per annum would be required.

To estimate the cost of training and recruitment of such additional numbers.

The recruitment costs for 300 garda recruits per annum over the period 2017 to 2021 are outlined in Table 1 below. The cost of training recruits is subsumed into the overall training costs of the Garda College and is not easily identifiable. The total cost of running the Garda College in 2015 was approximately €20m, which includes the salary costs of all College personnel.

Table 1 - Cumulative Payroll Costs							
	Numbers	2017	2018	2019	2020	2021	Total
2017 Recruits	300	€6,509,275	€10,258,707	€11,293,956	€12,257,415	€13,056,196	€53,375,550
2018 Recruits	300	€0	€6,509,275	€10,258,707	€11,293,956	€12,257,415	€40,319,354
2019 Recruits	300	€0	€0	€6,509,275	€10,258,707	€11,293,956	€28,061,938
2020 Recruits	300	€0	€0	€0	€6,509,275	€10,258,707	€16,767,982
2021 Recruits	300	€0	€0	€0	€0	€6,509,275	€6,509,275
Total	1,500	€6,509,275	€16,767,982	€28,061,938	€40,319,354	€53,375,550	€145,034,101

Assumptions

1. 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.

7. Public Expenditure & Reform

7.1 Estimate the cost of establishing a public service and civil service minimum hourly rate of €11.50 per hour applicable to all types of workers in direct employment for the State.

The detailed costings sought in this request would require detailed data on the position of staff on each salary scale across the public service and details of the standard working hours per week for each individual grade. This data is not available to the Department.

Pay band data available to the Department indicates that some 93% of all public service staff are on salary points in excess of €25,000 per annum. The suggested wage at €11.50 per hour based on the Civil Service 37 hour standard net working week equates to an annual salary of € 22,203.

Data based on Civil Service staff only indicates that only some 4% of staff (FTE) in the Civil Service are on salary points less than €22,203, with the majority of those on points in the range €20,000 to €22,000. The estimated cost within the civil service, which is some 12% of the overall public service, would be €1.6m. Detailed costings in other sectors of the public service would require collation and estimation on an individual sector level.

Any of those currently on an annual salary of less than €22,203 could be receiving remuneration in excess of the suggested living wage through additional premium payments in respect of shift or atypical working hours or is on salary scales that progress to the suggested living wage through incremental progression. The proposed increase of 2.5% on annualised salaries up to €24,000 under the Lansdowne Agreement Proposals from 2016 would contribute further to a reduction in this cost also.

Estimates in respect of application of the suggested living wage in respect of the Commercial State Companies would be a matter for each individual company as data is not held in relation to staff in commercial state companies below that of the Chief Executive Officer.

7.2 Furthermore, estimate the increased cost to the State of introducing a clause to cover public procurement tenders that would ensure those working for these suppliers are paid no less than €11.50 per hour in the provision of goods and services purchased by the State.

In order to estimate this

- (i) A useful first step might be to calculate the share of state procured goods and services that are in the following sectors; retail, catering and hospitality, contract cleaning, stationary supplies, housekeeping and maintenance supplies and health/hospital supplies.
- (ii) A second step could be to establish the labour cost of each of these sectors from the CSO's input-output tables.
- (iii) Thirdly, estimate the maximum possible increase in labour costs for these suppliers from a rise in the national minimum wage from €9.15 to the Public sector living wage of €11.50.

The above is a suggested methodology, if there is a more appropriate alternative then please defer to that.

Response

Procurement can only require that nationally agreed wages are complied with. Not the other way around. Unless the Minimum wage itself is increased it's not possible to use procurement to oblige employers to set a higher rate of pay.

7.3 Identify the number of public sector employees that have holiday entitlements no greater than 4 working weeks per annum. Estimate the cost of increasing minimum holiday entitlements by 2 days for these individuals.

A cost does not arise as following the standardisation of Annual Leave across the public service, under the terms of the Croke Park Agreement the minimum number of days annual leave allowance applying to all full time public servants is 22 days.

8. Social Protection:

8.1 Increase standard Employer's PRSI from 10.75% to 11.45% and the reduced Employer's PRSI from 8.5% to 9%.

Increased Revenue	€415.1m
Employments Affected	2,095,454

(Note: This estimate takes account of the increase in the threshold for the higher rate of employer PRSI to €376 announced in Budget 2016 which will be implemented on 1-1-2016.)

- A. Estimates are based on macro-economic indicators for 2016 only.
- B. The estimates affecting employed contributors are based on the changes to social insurance contributions paid under PRSI Class A.
- C. Estimates of full year costs/yields are provided. First year costs/yields are a function of the chosen implementation date of PRSI changes in 2016 or in the relevant year. If implemented in January of the particular year, it is estimated that 85% of the full year estimate is realised in the first year.
- D. The estimates do not take possible changes in employer or employee behaviour into account.

8.2 Estimate the cost of providing 3,000 new places on JobsPlus.

The 2016 provision for JobsPlus is €27.24 million to provide wage subsidies to support employers employ 6,000 previously long term jobseekers. Currently, there are two levels of grants that are payable to employers.

Assuming that the 3,000 additional employees are supported by JobsPlus at the current subsidy rates and with a similar distribution between the two subsidy rates, the estimated additional cost is €13.6 million in a full year. First year costs will vary depending on how quickly the additional places roll out. Assuming that the 3,000 additional employees are recruited on a gradual basis throughout the year and based on current trends, the estimated first year cost of this measure is €7.4 million.

There are likely to be additional costs as a result of increased take-up of the Family Income Supplement and the Back to Work Family Dividend. However, these costs would be offset by savings arising from the non-payment of Jobseeker's Allowance.

8.3 Identify the total number of jobseekers on the Live register under the age of 26 (Q3 2015) and the proportion not in education, training or on a Job placement scheme. Estimate the cost of paying the full adult rate of Jobseekers allowance to those in education, training or job placement programme.

The CSO Live Register data divides the Live Register into those 25 and over and those under 25 only. Figures for the 30th October show that there were 41,112 people under 25 on the Live Register. All jobseekers on the Live Register fall into the category “not in education, training or on a job placement scheme”, as participation in any of the latter involves moving off the Live Register.

With regard to people 25 years and under in receipt of jobseeker’s allowance at the end of October, the breakdown by rate of payment is as follows:-

Rate of Payment	Number of recipients
€100	23,584
€144	5,822
€188	8,608
Total	38,036

If a jobseeker in receipt of the reduced jobseeker’s allowance rate participates on an education or training programme they will receive a higher weekly payment of €160.

It should be noted that most of the young people on the €160 rate are participating in education and training schemes which are paid through the Education and Training Boards and not the Department. Data on the number of people on €160 rate allowances from the Education and Training Boards are not included here, as they are neither on the Live Register nor in receipt of jobseeker’s allowance. The cost of any increase in this allowance would need to be calculated by the Department of Education and Skills.

In relation to the DSP, there are approximately 5,300 people under 26 who qualify for the payment rate of €160 as they are participating on the Back to Education Allowance scheme administered by the Department. Assuming that all of the under 26s participating on the scheme are in receipt of the €160 rate, the cost of increasing their payment to the maximum rate of €188 per week would be €5.8 million per annum.

8.4 Estimate the savings generated through abolition of the JobBridge and Gateway schemes.

JobBridge

The first year net savings of closing JobBridge to new applicants from 1st January 2016 is estimated at €7.6 million. The full year net savings from the abolition of the scheme is estimated at €12 million. These savings do not take into account any benefits to the Exchequer of increased employment arising from participation in the scheme.

Gateway

If Gateway was to be discontinued in January 2016 and current participants are allowed to complete their 22 month contracts without replacements, the savings on the Gateway subhead would amount to €13.2 million in 2016. The cost arising in 2017 to pay participants would amount to €2.7 million. If all participants return to a jobseekers payment on completion of their Gateway contracts: the additional costs arising from jobseekers payments would amount to €7.5 million in 2016 and €5.2 million in 2017 (for those leaving in 2017). The net savings to the Department would amount to an estimated €5.7 million (€13.2 million - €7.5 million) in 2016.

If Gateway was to be discontinued in January 2016 and assuming that current participants were to work out a four week notice period: the direct savings arising on the Gateway subhead would amount to €30.5 million. If all Gateway participants were to return to a jobseekers payment at their former

rates of payment (prior to going on Gateway) the annual cost to the Department is estimated at €23.3 million in 2016 – assuming that a notice period as outlined above is worked. The net savings to the Department in 2016 if Gateway was to discontinued in full in January 2016 would amount to €7.2 million (€30.5 million - €23.3 million).

The above estimates do not include the following:

- Cost arising to the Department of the Environment, Community and Local Government in relation to providing health and safety and other training and personal protection clothing and equipment.
- Costs arising for individual county and city councils where are not met by the Department of Social Protection

8.5 Estimate the expected cost to the State of introducing paid parental leave of 13 weeks on top of the existing 26 weeks of maternity leave.

This costing assumes that paid parental leave is:

- paid at the same rate as maternity benefit and has similar eligibility conditions,
- taken immediately after the current maternity benefit period, and by the same number of maternity benefit recipients, with a 100% take-up by one member of the couple, and
- taken as one consecutive period of leave.

On this basis, the cost of a paid parental benefit of 13 weeks is in the region of €136.5 million in a full year.

8.6 Estimate the cost of extending paid paternity leave from 2 to 4 weeks.

The cost of extending the duration of Paternity Benefit from 2 weeks to 4 weeks would be in the region of €20 million in a full year.

8.7 Estimate the cost of increasing Child Benefit by 2% per annum to 2021.

The estimated costs in items 6 to 8 below are based on projected recipient numbers for 2016 and do not take into account increases/decreases in recipient numbers for 2017 to 2021 inclusive from demographic or labour market changes.

The estimated cost of increasing Child Benefit by 2% per annum to 2021 is detailed in the table below:

Year	2017	2018	2019	2020	2021
Child Benefit Cost - €m	40	41	42	42.5	43

8.8 Estimate the cost of increasing the State pension (contributory and non-contributory) by 2% per annum to 2021.

The estimated cost of increasing the State pension (contributory and non-contributory) by 2% per annum to 2021 is detailed in the table below:

Year	2017	2018	2019	2020	2021
SPC Cost - €m	92	94	96	98	100
SPNC Cost - €m	19	20	20	20	21
Total - €m	112	114	116	118	121

8.9 Estimate the total cost of increasing all social welfare payments by 2% per annum to 2021.

The estimated total cost of increasing all social welfare payments by 2% per annum to 2021 is detailed in the table below:

Year	2017	2018	2019	2020	2021
All social welfare payments - Cost - €m	311	317	323	329.5	336.5