
Opening Statement by the Minister of State for Skills and Further Education

Select Committee on Education, Further and Higher Education, Research, Innovation and Science, 2 December 2021

Vote 45 – Supplementary Estimate 2021

A Chathaoirligh agus a Bhail den Choiste (Chair, members of the Committee)

Thank you for the opportunity to speak to you this morning and for the Committee's consideration of the Department of Further and Higher Education, Research, Innovation and Science's Supplementary Estimate. I am accompanied today by officials from my department.

I am conscious that I have only 5 minutes to deliver my opening statement. I will therefore just give a very brief overview of the 2021 Supplementary Estimate for my department.

The allocation for this Department's 2021 Supplementary Estimate was drawn up in recent weeks as part of the normal budgetary process. At a Cabinet meeting dated 15 November 2021, the Government agreed to a Supplementary Estimate for the Department of Further and Higher Education, Research Innovation and Science of €230 million. This increases the net Voted allocation for this Department from €2,681,500 to €2,911,500, allowing for the funding of two items.

Firstly, a €147 million once-off injection of funding for university superannuation costs.

There is a State obligation to fund University pension costs, arising from a legal undertaking by the Department of Public Expenditure and Reform and the Department of Education when taking over University pension funds in 2009 under the Financial Measures (Miscellaneous Provisions) Act.

In recent years, the pension cost has increased in line with demographic demands. To address a shortfall on University pension schemes, my Department successfully negotiated in the 2022 Estimates process a once off injection of €147 million in 2021 to decrease the pension funding shortfall.

Additionally, we successfully negotiated a €20 million rise to the base funding of University pensions from 2022. This will help to build a sustainable baseline for future pension costs, as well as helping to strengthen University balance sheets.

The second measure funded through this Department's Supplementary Estimate is a €105 million package of support to prepare for a safe reopening of the third level sector in the 2021/22 academic year.

We are all well aware of the profound impact that Covid-19 has had globally.

Due to the deteriorating public health situation in the 2020/21 academic year, education provision in the third level sector remained online with very restricted on-site access to facilities and person to person contact.

This emergency online provision throughout the 2020/21 academic year has been recognised by Government and the sector as deeply disruptive for students and learners, staff and institutions in further and higher education and research. This has been particularly the case for vulnerable learners. Curtailment of pro-social outlets and developmental opportunities for young people is of potential wider significance for communities and society at large with implications for wellbeing, social cohesion and solidarity.

Recognising that this situation cannot continue for another academic year, in July 2021 the Government approved a €105 million package of financial supports for the safe reopening of the third level sector in

the 2021/22 academic year, in compliance with public health advice and with appropriate protective measures. This funding will allow Higher Education Institutions and Education and Training Boards to safely and carefully maximise on-site provision of teaching, learning, research and other on-site activities. With thanks to efforts in the sector so far, we have seen approximately 400,000 learners return to on-site activity.

There are currently no changes to arrangements for school attendance and on-site activities for further and higher education institutions. We continue to monitor the situation and the latest public health advice.

It is fair to say that, in respect of Covid, the next few weeks, and indeed months, are uncertain and will be challenging. I wish to place on record my gratitude to all involved in ensuring the continued health and safety of our students, lecturers and researchers, and to those

working on a plan to safely keep our institutions and establishments open.

As part of this Supplementary Estimate, this Department has also declared that appropriations in aid are forecast to be €22 million higher at the end of 2021 than originally anticipated. This income is largely in relation to rebates from the European Social Fund and from unitary cost contributions related to capital Public-Private Partnership projects. This increased income reduces the Department's overall requirement in the Supplementary Estimate, bringing the total Supplementary Estimate to €230 million.

I trust that this overview is of assistance to the Committee. I am happy to discuss these issues in more detail, and I commend the Supplementary Estimate to the Committee.

Thank you.

